VILLAGE OF GURNEE ILLINOIS

Annual Comprehensive Financial Report

FOR THE FISCAL YEAR ENDED APRIL 30, 2025

VILLAGE OF GURNEE, ILLINOIS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
APRIL 30, 2025

Prepared by:

Finance Department

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INTRODUCTORY SECTION

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- List of Elected Officials
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- GFOA Certificate of Achievement for Excellence in Financial Reporting

Elected Officials

- **Thomas B. Hood**
  Mayor
  Term: April 30, 2029
  - **Andy Harris**
    Village Clerk
    Term: April 30, 2029
  - **Jeanne Balmes**
    Trustee
    Term: April 30, 2029
  - **Greg Garner**
    Trustee
    Term: April 30, 2027
  - **Quin O'Brien**
    Trustee
    Term: April 30, 2027
  - **Cheryl Ross**
    Trustee
    Term: April 30, 2027
  - **Karen Thorstenson**
    Trustee
    Term: April 30, 2029
  - **Kevin Woodside**
    Trustee
    Term: April 30, 2029

Executive Staff

- **Pat Muetz**
  Village Administrator
  Department Head - Administration
  - **Brian Gosnell**
    Finance Director
    - **Christine Palmieri**
      Human Resources Director
      - **Erica Wells**
        Assistant Director of Finance & Human Resources
        - **Ellen Dean**
          Economic Development Director
          - **Ryan Nelson**
            Information Systems Director
            - **Austin Pollack**
              Assistant to the Administrator
  - **Jeremy Gaughan**
    Police Chief
    Department Head - Police
    - **Jason Kalinowski**
      Deputy Police Chief
      - **Willie Meyer**
        Administrative Commander
  - **John Kavanagh**
    Fire Chief
    Department Head - Fire
    - **David Douglass**
      Deputy Fire Chief
  - **Heather Galan**
    Public Works Director
    Department Head - Public Works
    - **Brett Fritzler**
      Water Utility Manager
      - **Jake Balmes**
        Streets Supervisor
        - **Craig Lambrecht**
          Fleet Manager
  - **David Ziegler, P.E.**
    Community Development Director
    Department Head - Community Development
    - **Nicholas Leach, P.E.**
      Village Engineer
      - **Jacob Litz**
        Assistant Community Development Director

Operational Overview

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

ORGANIZATIONAL STRUCTURE

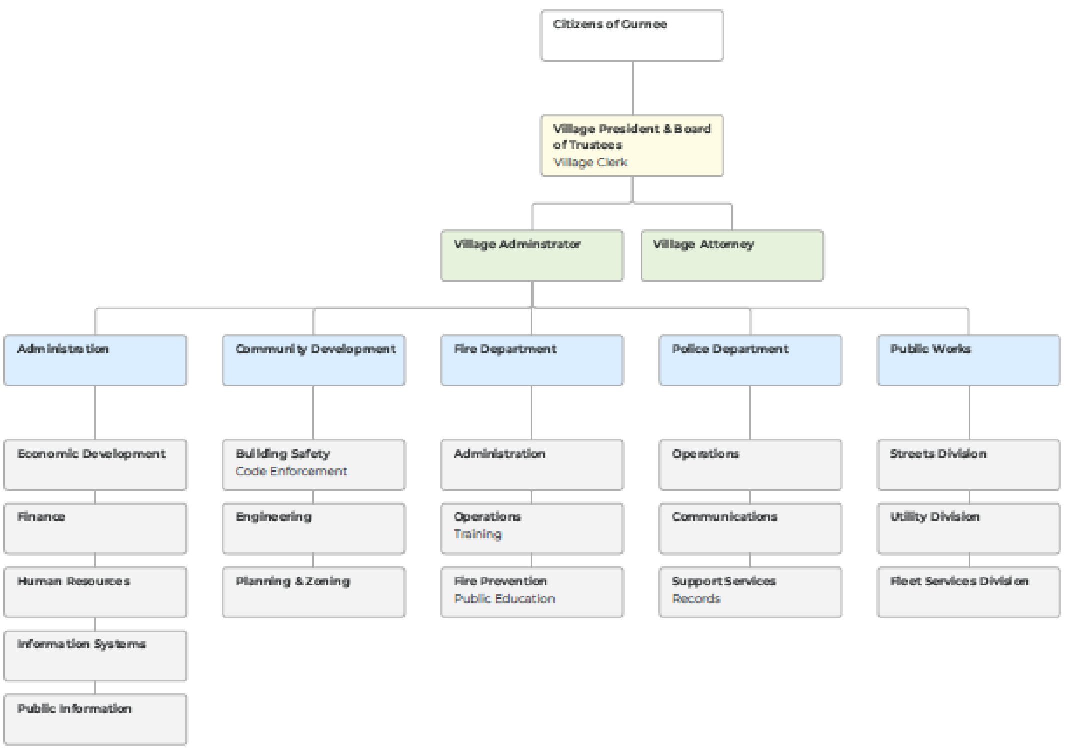
As a unit of local government, the Village is governed by an elected Village President and a six-member Village Board elected at large with overlapping terms. The Village Clerk is elected for a four-year term and the Village Treasurer is appointed by the Board. The President selects and appoints key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

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

PRIMARY OPERATING GOAL

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

Organization Chart



Thomas B. Hood, Mayor www.gurnee.il.us

March 5, 2026

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

Transmittal of the Annual Comprehensive Financial Report

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

The Annual Comprehensive Financial Report (ACFR) of the Village of Gurnee for the year ended April 30, 2025, is submitted herewith. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with Village. The internal control structure is designed by management to provide that transactions are recorded and reported according to prescribed policies and procedures. The internal control structure is intended to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of all the funds of the Village. All disclosures necessary to enable the reader to gain an understanding of the Village's financial activities have been included.

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

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

The Village and the Services it provides
The Village of Gurnee was incorporated as a Village in 1928 with 200 residents and has grown to approximately 30,547 residents (2020 Census). The Village experienced a majority of its growth from 1970 to 2000. During that timeframe, the Village grew from 2,738 to 28,834 residents. The Village is located in central Lake County, Illinois and lies approximately 38 miles north of the City of Chicago, Illinois and eight miles west of Lake Michigan. The Village covers an area of approximately thirteen and one-half square miles. Located within commuting distance of Chicago, Illinois and Milwaukee, Wisconsin, approximately 59% of its land is zoned residential, 21% commercial, 8% industrial, and 12% parks/open space.

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

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

The Village has 250 budgeted full-time equivalent positions, with 190.75 or 76.3% of these dedicated to public safety. Subsequent to the reporting period, the Village consolidated dispatch operations as a member of the county-wide consolidated dispatch organization LAKECOMM.

Factors Affecting Economic Condition

Tourism/Retail. The Village of Gurnee is a major hospitality center best known for three major tourism attractions: Gurnee Mills Mall; Six Flags Great America/Hurricane Harbor; and Great Wolf Lodge Illinois. With 23 million visitors annually the Village boasts 1738 hotel rooms and 125 restaurants. The FY 2024/2025 tourism season continued to benefit from a strong consumer and pent-up pandemic demand for leisure travel as well as the introduction of a new ride, Sky Striker, in June 2024, which provided yet another reason to visit.

Gurnee Mills, at nearly two million square feet, with close to 200 stores including 17 anchors, is the third largest mall in Illinois and a regional tourist attraction typically visited by more than 20 million people each year. Gurnee Mills was purchased in 2007 by Simon Property Group, which has been updating the facility, creating a hybrid center with both outlet and full service stores including a full service Macy's which opened in 2013. The tenant pipeline is kept full, and vacancies are typically short-lived. Relationships developed with the Simon family of tenants in other properties around the U.S. support local leasing efforts and position Gurnee Mills as a "first to market" location for new retail entrants to the Chicagoland market. In FY 2021/2022 Hobby Lobby took occupancy of the first one-third of a former 201,000+ square foot Sears Grand anchor box, and 2nd & Charles opened in the former Neiman Marcus Last Call junior box space. Top Shelf Ice Arena added a new bar & grill which is open to the public. Marcus Cinemas continues to innovate and invest in its Gurnee location, the most recent addition being "The Wall", a communal sports viewing venue showing multiple games on giant screens, with recliner seating, and a diverse food & bar menu. In FY 2022/2023, Kohl's comprehensively remodeled to add a Sephora Beauty. Joe's Boots, Revolver apparel, Charming Sofia, and China Experience Restaurant were among the many retailers and restaurants opened; and permits were issued for a new Mrs. Fields & TCBY and Cinnabon. Remodels/relocations in FY 2022/2023 included Bath and Body Works, Lids, and Journey's. FY 2023/2024 brought the opening of Mrs. Fields & TCBY, Cinnabon, Lola's Tacos and Tequila, Lovisa Jewelry, Spencer's, Goddess Hair Care, Michoacan Ice Cream, Under Armour, All Star Sports, Pawny's, Shawarma King, and Dippin Dots/Doc Popcorn. In FY 2024/2025, Round One Entertainment - one of only three in Illinois - opened in ~69,000 square feet of the former Sears box, ReClectic opened in the former Saks Off 5th junior box, and IKEA opened a freestanding kiosk offering kitchen design. Other notable entrants to the mall this year included Inspire Me, Ebisu, BHOP e-Sports, Pandora Jewelry, Little Tokyo, JD Sports, Revolver, HeyDude, a second location for Bubblelicious, Exotic Snack Guys, Alice's Candy, Dino's Sports Fan Shop, and Ramen Ya. Investments like these - large and small, national and local - augment the regional appeal of this retail and entertainment destination center.

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

Great Wolf Lodge Illinois became the company's 17th resort (now one of 23) in North America when it opened in July 2018 following a comprehensive renovation of the property formerly operated as Key Lime Cove. The property is a 414-room, full-service resort featuring over 80,000 square feet of water park facilities; 7,800 square feet of flexible meeting space with built-in A/V technology; mini golf; climbing wall, ropes course; mini bowling; arcade; its very own Build-a-Bear workshop; MagiQuest immersive adventure; and multiple restaurants featuring small plates, craft cocktails, and handmade pizza and pasta. In FY 2020/2021, during the pandemic, while it was closed to the public, Great Wolf executed a partnership with the United States Navy to house recruits for a 14-day quarantine period before they were to report to basic training; the waterpark resort subsequently reopened to strong demand as leisure travel resumed. The resort has adeptly navigated the tight labor market to generate strong revenues in each year since then. In FY2024/2025 control gates were added to the parking lot to enforce a new 'paid parking' policy. Of the Gurnee resort's Pack Members (employees), 95% are from Lake County and 56 of them live in Gurnee. In addition to its year-round activities, the Lodge's annual Summer Camp-In, Howl-o-Ween, and Snowland celebrations are family favorites. Great Wolf Lodge has achieved a year-round occupancy rate of 80% surpassing 120,000 annual room nights.

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

All of Gurnee's major tourist attractions and the majority of its retail inventory are located near the I-94 & Grand Avenue intersection with vehicular volume of 102,000 on I-94 and 33,000 on Grand Avenue respectively.

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

With the adoption by the Village Board of a Small Business Capital Grant program in FY 2021/2022, matching grants of up to $10,000 became available to commercial property owners and owners of retail/ restaurant/ entertainment businesses to support them in making capital investment. In FY 2022/2023, the Village Board again appropriated funding for this program and $254,013 was awarded to 21 recipients, including two larger "Transformational" grants of $50,000 awarded via competitive application process toward projects with a minimum investment of $100,000. Of the $250,000 appropriation for FY 2023/2024, $148,132 was awarded in "Impact" grants to 17 recipients and $100,000 was awarded to two recipients of $50,000 "Transformational" grants. Of these two, one project was completed and one was withdrawn. The appropriation for FY 2024/2025 was again $250,000 of which $186,617 was awarded to 17 "Impact" grant recipients and $100,000 awarded to two "Transformational" grant recipients.

Industrial/Office. In addition to its commercial activity, the Village of Gurnee also boasts a strong industrial base with approximately 9% of land zoned for industrial uses. The Class A, CenterPoint Business Center and Grand Tri-State Business Park located west of I-94 between Grand Avenue and Washington Street include signature firms Jabil Healthcare (formerly Nypro), Kalle USA, PurposeBuilt Brands (maker of Weiman products, Goo Gone, and other well-known consumer cleaning brands), Ohio Medical, Marantec, and Luxor Furniture. In FY 2021/2022, AZ Polymers, a locally owned producer of high grade polycarbonate sheeting constructed a new 90,000 square foot manufacturing facility and in FY2024/2025 supplemented it with a second new building nearby, a 74,000 square foot warehouse facility. Restaurant Depot, a restaurant wholesale facility opened in FY 2022/2023 in a 44,000 square foot commercial warehouse on a 7-acre site near Grand Avenue. FY 2023/2024 transactions included the sale of 1.4 acres (few lots left in the business park) for potential future development and the sale of a 43,000 square foot existing office building at 1075 Tri-State Parkway for occupancy - which occurred in FY2024/2025 - by its new owner, Community Trust Credit Union, and additional future tenants.

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

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

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

FY 2024/2025 Development Highlights:

Commercial:

- Highlights at Gurnee Mills included the opening of Round One Entertainment in the first one-third of the former Sears Grand anchor box; the opening of ReClectic in the entire former Saks Off 5th junior box; a new IKEA kitchen design kiosk in the mall; Ebisu; BHOP e-Sports; Pandora Jewelry; Inspire Me Bracelets; Little Tokyo; JD Sports; Revolver; HeyDude; a second location for Bubblelicious; a relocation of Claire's; Exotic Snack Guys; Alice's Candy; Dino's Sports Fan Shop; and Ramen Ya. In the former Bed Bath & Beyond anchor box space, demising and white box construction was underway for two future tenants, Primark, a new apparel retailer, and Boot Barn, a relocation/expansion of an existing tenant.

- Pips Meadery/The Parlor, craft distillery and cocktail lounge, completed its expansion at 1350 Tri-State Parkway.

- Texas Roadhouse opened in a new, freestanding, 7900 square foot restaurant on a newly created outlot of the former Toys r Us site at 6060 Gurnee Mills Circle.

- Ashley HomeStore opened in the former Toys r Us building at 6050 Gurnee Mills Circle.

- Spraytech,,in business for 20 years, took occupancy of 3601 Grand Avenue and opened its automotive protective coatings (spray-on bedliners and undercoatings), parts, and specialty accessories business here.

- Also new on East Grand Avenue: Beds in a Box, a mattress showroom that put into use a previously raw commercial space; Johanna Beauty Salon , Blurry Blendz Barbershop, and Blur Lounge Barbershop; and Mr. Appliance Center.

- Graham Enterprise completed construction and opened its new tunnel car wash with nine self-serve vacuum bays at 3419 Grand Avenue, previously the site of Citgo fuel station. This total site redevelopment represents a significant investment on East Grand Avenue.

- The former Avalon restaurant building was demolished to make way for another Graham Enterprise project, Trio Fuel Station, on the combined site of the former Avalon and the current BP fuel station. Plans call for construction of a new 5400 square foot convenience store/fuel station; site plans were submitted for Illinois Department of Transportation review.

- McCullough Kubota, exclusive distributor of Kubota for Cook, Lake, and McHenry counties, purchased and opened a new flagship dealership in the former Anthony Buick GMC dealership building at 7225 Grand Avenue.

- Bank of America was under construction on a new 4,700 square foot retail bank branch on the site of the former Baker's Square Restaurant at 6411 Grand Avenue (Gurnee Mills ring road).

- In its 5th year open, Riverside Café expanded its seating area and relocated its front entrance for an enhanced dining experience

- Plans were under review for an expansion/remodel of Gurnee Hyundai to better accommodate sales and service of the Genesis brand

- Muller Honda was under construction with its significant expansion/remodel joining two, formerly separate "new" and "used" buildings into one larger facility that meets Honda's current brand standards and positions the dealership for further growth

- CarWise Gurnee, formerly Elite Motors Waukegan, neared completion of its remodel at the former Rohrman Saturn dealership, which had been vacant for 15 years, at 6460 Gurnee Mills Circle

- Ryse Athletic Club, a training facility featuring premier amenities, was nearing completion of construction on its expansion and remodel at Northern Lights

- Soiree Event space expanded at 3563 Grand Avenue and Taylor's Stop & Shop convenience mart opened under new ownership at 736 Rt. 21

- Gurnee Glen Apartments, a new three-building luxury apartment project by AR Homes, was under construction at 1 Woodlake Boulevard, and began leasing

- A Bullfrog Spas showroom featuring customizable/changeable spa configurations, Milan Laser Hair Removal; and PayMore, electronics resale store, opened in Gurnee Town Center

- A new, freestanding dual-restaurant concept, with drive-through, housing Buona Beef and the Original Rainbow Cone, was constructed at 7360 Grand Avenue, the restaurants becoming the first occupants of a new 11 acre development

- Destino Ristorante, classic Italian cuisine in a "casual, fine dining" environment, completed its sophisticated transformation and opened in the former Chocolate Sanctuary space at Saratoga Square

- Plans were submitted for Haraz Coffee House at 5572 Grand Avenue

- A new restaurant, Kyoto Ramen, and Midway Staffing opened at Grand Mil Plaza

- Paintball Explosion received entitlement approvals and submitted initial plans for a new outdoor paintball entertainment park on 12 acres at the northeast corner of Route 120 and Route 21. Paintball Explosion has operated for over 20 years in West Dundee and will relocate its operations to Gurnee.

- Two new retailers - Bob Flowers Studio floral shop and Shop Lana Grace, a women's apparel boutique - opened in Riverside Plaza

- Wordup Bible Bookstore, Christian bookstore and gift shop, opened at 1333 N. Delany Road

- True Neutral, a unique purveyor of comics and tabletop game and host site for tournaments and trading events, and The Wing District, quick-service chicken wing restaurant, opened at Delany Square

- TLC Massage & Spa purchased and remodeled the former Tomei Insurance building at the southeast corner of Washington & Rt. 21 to relocate and expand from its prior location on Rt. 21

- The UPS Store opened at 5250 Grand Avenue

Industrial/Office:

- Dream Car Chicago, internet-based automotive sales of pre-owned Rolls-Royce, Bentley, and other luxury brands, opened at 1351 Estes Street.

- Riverside Management & Leasing Corporation purchased, remodeled, and opened its full-service real estate management and investment offices at 1391 St. Paul Avenue.

- Veterans Assistance Commission of Lake County demolished the former Outback Steakhouse restaurant building on property it purchased at 5626-5652 Northridge Drive for future construction of a 3-story, 40,000 square foot office building with uses that include a teaching kitchen, computer lab, outdoor tranquility zone, and fitness area - serving Lake County veterans and their families at low or no-cost.

- AZ Polymers, local manufacturer of high optic polycarbonate material, was nearing completion on construction of its second major industrial building, a 74,000 square warehouse to support its 90,000 square foot manufacturing facility constructed just three years prior

- Advia Credit Union completed its acquisition of NorthSide Bank and the location at 5103 Washington Street assumed the "Advia" banner.

- El Paisano Todos Servicios opened a unique storefront office concept at 3567 Grand Avenue - offering bilingual services for a wide range of personal and small business needs.

- Illinois Bone & Joint Institute opened at 202 S. Greenleaf Street.

- Creative Bio Therapeutic, cancer biotech research firm, took occupancy at 68 Ambrogio Drive.
- Lake Harbor Treatment, an Allendale inpatient treatment facility, secured a building permit to begin renovation of 3915 Oglesby Avenue.
- The accounting offices of Milner & Caringella applied for occupancy at Viking Square on Old Grand Avenue.
- Optimize Chiropractic completed its comprehensive new office buildout at 731 S. Route 21.
- Janelle Rominski Photography opened a unique studio “share” concept - space to be shared with other professional photographers and makeup studio Glam Luxe Artistry - at 4181 Grove Avenue.
- E&O Therapeutic Services, therapy counseling office, opened at 6475 Washington Street.
- Fenix Martial Arts Academy took occupancy and opened at 101 Ambrogio.
- Edward Jones Investments completed its buildout at Market Square, 6071 Washington Street.
- Hometown Veterinary Partners opened at 1333 N. Delany Road.
- Creative Rehab Physical Therapy relocated to Windsor Court, 495-505 N. Route 21.
- Advocate Medical Group (AMG) Surgical Specialists completed construction on and opened its outpatient surgery suite at 20 Tower Court.
- QT Kinetix (regenerative medicine) opened at 15 Tower Court.
- Advanced Fertility Center expanded and remodeled at 30 Tower Court.
- Offices for custom home builder C.E. Wurzer Construction opened at Bellewater Suites, 1761 Dilleys Road.
- Action Behavior Centers (autism therapy) opened at 25 Tower Court.
- Waggoner Behavioral Health (applied behavioral analysis provider) took occupancy at 6121 Washington Street.
- Doctors of Physical Therapy completed buildout of a new commercial space at 6621 Grand Avenue for a physical therapy clinic.
- USA Vein Clinics took occupancy at 15 Tower Court.
- Women’s Health Care Group completed its buildout and opened at 25 Tower Court.
- Zaldivar Driving School opened at 4262 Old Grand Avenue.
- Other office tenants in various stages of buildout or occupancy, representing a mix of personal and professional services, as well as healthcare/medical, included: Sarah’s African Hair Braiding; La Mariposa; Lash Corral; Bodyworks for Vets (nonprofit); Berg + Schmidt (animal nutrition); Rose Pest Solutions; Reliable Technologies (training in mortgage loan application technology); Guided Hope & Wellness Counseling; Professional Family Solutions; Advocus National Title Insurance; Guild Mortgage Company; Gracefully Beyoutiful Skin (skin care specialists); ZM Protech (IT training and consulting); Amenity Legal; Adrian Rivas Insurance; Awaken Culture; 2nd Chance New Opportunity; Citywide CPR; Shalom Home Health Care; a relocation of 1st Look Mobile Ultrasound; and remodels/expansions by Lake Cook Healthcare and North Shore Allergy.
- Other industrial occupancies included: Fox Pest Control (warehouse for existing business) at 4183 Grove; Storage Rentals of America at 1797 N. Delany; Texx Team USA (used clothing & textile collection) at 4090 Ryan Road; Waukegan/Gurnee Autobody Group at 3923 Grove; Saveco North America engineering/sales office at 1570 St. Paul; and US Allied Plumbing at 1949 Swanson Court.

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

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

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

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

The Village's mission is to;

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

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

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

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

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

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

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

General Corporate Fund Balance Policy

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

Debt Policy

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

Investment Policy

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

Purchasing Policy

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

Capital Asset Policy

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

Fiscal Contingency Plan

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

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village for its Annual Comprehensive Financial Report for the fiscal year ended April 30, 2024. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

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

In addition, the Village of Gurnee received the GFOA's Distinguished Budget Presentation Award for its 2025/2026 fiscal budget. In order to qualify for the Distinguished Budget Presentation Award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

Sincerely,

Patrick A. Muetz
Village Administrator

Brian C. Gosnell
Director of Finance

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Gurnee
Illinois

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

April 30, 2024

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

This section includes:

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

INDEPENDENT AUDITOR'S REPORT

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

Lauterbach & Amen

668 N. River Road
Naperville, IL 60563
630.393.1483

lauterbachamen.com

INDEPENDENT AUDITOR'S REPORT

March 5, 2026

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

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Gurnee (the Village), Illinois, as of and for the year ended April 30, 2025, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Gurnee, Illinois, as of April 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Gurnee Police Pension Fund and the Gurnee Firefighters' Pension Fund as of April 30, 2025, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for the Gurnee Police Pension Fund and the Gurnee Firefighters' Pension Fund, are based solely on the report of the other auditors.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Gurnee, Illinois' basic financial statements. The other supplementary information is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 5, 2026, 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 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.

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

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

OVERVIEW OF THE FINANCIAL STATEMENTS

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

USING THE FINANCIAL SECTION OF THIS ANNUAL REPORT

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

Village-wide Financial Statements

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

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

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

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

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

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

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

The Village as Trustee

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

Notes to the Financial Statements

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

Other Information

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

VILLAGE-WIDE STATEMENTS & ANALYSIS

Net Position

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

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Current and Other Assets	58,787	54,212	13,232	11,510	72,019	65,723
Capital Assets	78,186	75,644	68,558	67,618	146,744	143,262
Total Assets	136,973	129,856	81,790	79,128	218,763	208,984
Deferred Outflows of Resources	22,298	22,971	1,089	1,011	23,386	23,982
Total Assets and Deferred Outflows	159,270	152,827	82,879	80,140	242,149	232,966
Current Liabilities	6,516	6,574	1,591	1,940	8,107	8,514
Noncurrent Liabilities	50,541	48,253	4,405	4,795	54,946	53,047
Total Liabilities	57,057	54,826	5,996	6,735	63,053	61,561
Deferred Inflows of Resources	5,742	6,908	985	1,146	6,727	8,054
Total Liabilities and Deferred Inflows	62,799	61,734	6,981	7,881	69,780	69,615
Net Position:						
Net Investment in Capital Assets	77,217	75,064	64,608	63,928	141,825	138,992
Restricted	3,933	1,217	—	—	3,933	1,217
Unrestricted	15,321	14,811	11,289	8,331	26,610	23,143
Total Net Position	96,471	91,092	75,898	72,259	172,369	163,351

*Variation in values may occur due to rounding

The Village combined net position increased by $9,017 thousand from $163.4 million to $172.4 million. Governmental Activities net position increased by $5.4 million. Total assets and deferred outflows increased $6.4 million from $152.8 million to $159.3 million. The largest changes in Governmental Activities current assets include cash & investments increases of $3.9 million from $42.4 million to $46.3 million. Receivables - Net of Allowances increased $476 thousand from $10.5 million to $11.0 million due primarily to increases in taxes receivable. Prepaids increased $191 thousand primarily due to liability insurance pool credits. Inventories increased slightly due to greater road salt and parts inventory. Net capital assets increased $2.5 million. Deferred outflows decreased $673 thousand due to changes in Retiree Benefit Plans. Total liabilities and deferred inflows increased $1,065 thousand from $61.7 million to $62.8 million. Current Liabilities decreased $58 thousand due primarily to increases in accounts payable and accrued payroll. Noncurrent Liabilities increased $2,289 thousand due to increases in NPL and OPEB liabilities.

Business-Type Activities net position increased $3.6 million. The largest changes in Business-Type Activities Current Assets include an increase of cash and investments of $3.9 million and receivables net of allowances of $476 thousand. Net Capital Assets increased $940 thousand due to aggressive water main replacement program. Deferred Outflows increased $78 thousand due to increased IMRF and retiree benefit plan liability. Total Liabilities and Deferred Inflows decreased $900 thousand from $7.9 million to $7.0 million primarily due to less accounts payable and IEPA loan liability. Current Liabilities decreased $349 thousand due to decreases in accounts payable and other payables. Noncurrent Liabilities decreased $390 thousand due to decreases in IEPA loan liability and retiree benefit plan liability.

Activities

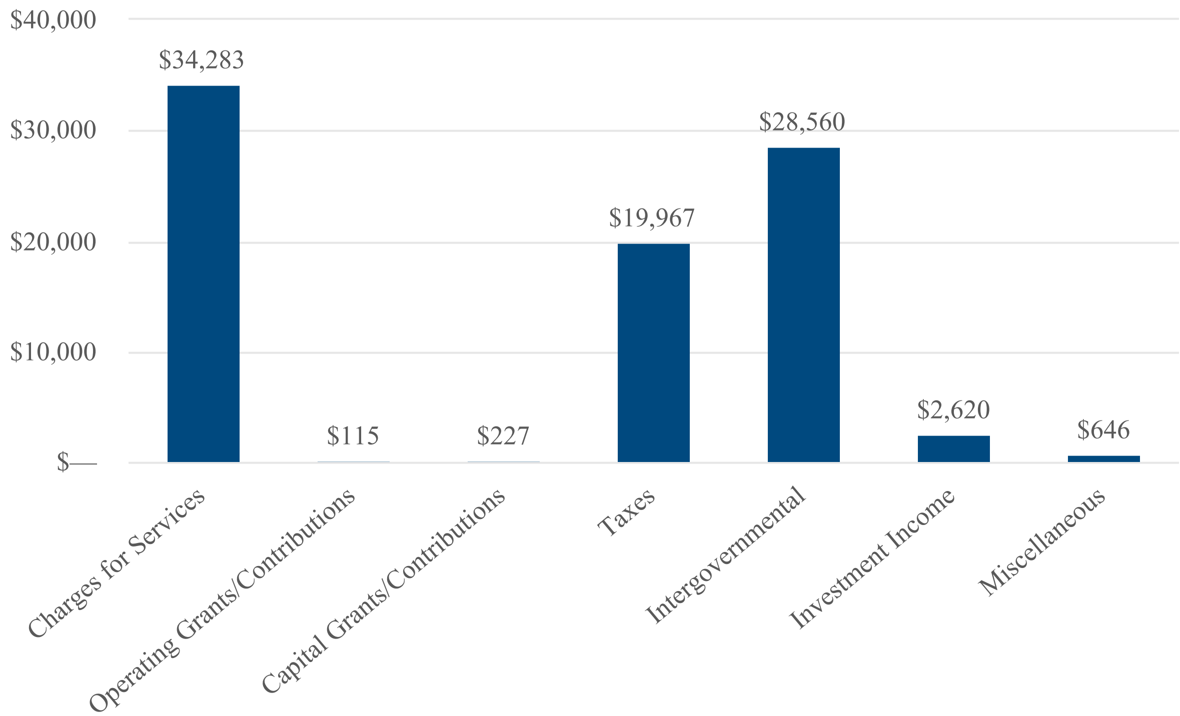
Governmental Activities are segregated by functional area for program revenues and expenses. General and Business-Type Revenues are allocated among Charges for Services; Operating and Capital Grants/Contributions; Taxes; Interest Income; Miscellaneous Revenue; and Interfund Transfers, as applicable.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

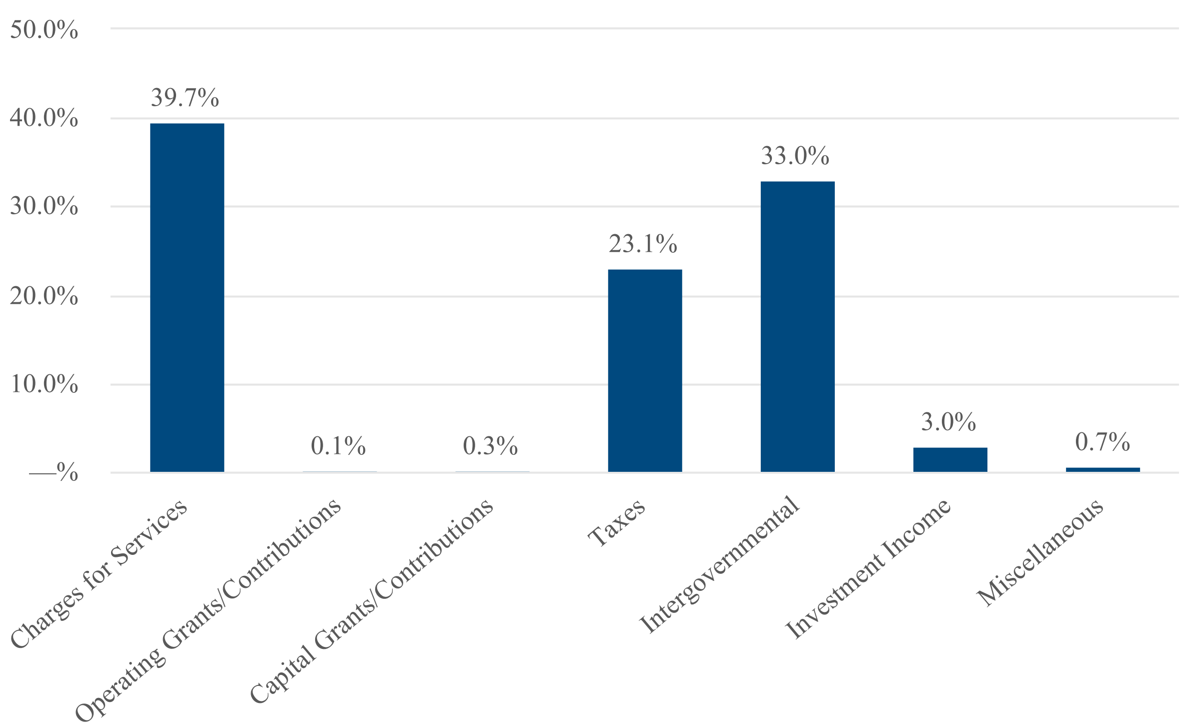
The following chart reflects the Condensed Changes in Net Position (in thousands):

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
REVENUES						
Program Revenues:						
Charges for Services	23,131	20,041	11,152	10,425	34,283	30,465
Operating Grants/Contributions	115	184	—	—	115	184
Capital Grants/Contributions	227	487	—	—	227	487
General Revenues:						
Taxes	19,967	19,229	—	—	19,967	19,229
Intergovernmental	28,560	26,633	—	—	28,560	26,633
Investment Income	2,305	1,931	314	290	2,620	2,221
Miscellaneous	603	827	43	89	646	916
Total Revenues	74,907	69,332	11,510	10,803	86,417	80,136
EXPENSES						
General Government	17,732	13,258	—	—	17,732	13,258
Public Safety	34,919	35,420	—	—	34,919	35,420
Highways and Streets	15,616	17,075	—	—	15,616	17,075
Interest on Long-Term Debt	11	—	—	—	11	—
Golf	—	—	21	30	21	30
Water and Sewer	—	—	9,100	9,648	9,100	9,648
Total Expenses	68,279	65,754	9,121	9,678	77,400	75,432
Excess/Deficiency Before Transfers	6,629	3,579	2,389	1,125	9,017	4,704
Transfers	(1,250)	(1,500)	1,250	1,500	—	—
Change in Net Position	5,379	2,079	3,639	2,625	9,017	4,704
Net Position - Beginning	91,092	89,014	72,259	69,634	163,351	158,647
Net Position - Ending	96,471	91,092	75,898	72,259	172,369	163,351

*Variation in values may occur due to rounding

Fiscal Year 2024/2025 Revenues





For the fiscal year ended April 30, 2025 Government-wide revenues were $86.4 million. Charges for service is the largest category representing 39.7% of revenues, followed by intergovernmental revenues at 33.0%, and taxes at 23.1%.

Government-wide intergovernmental revenues increased $1.9 million from the previous year. The largest type of Intergovernmental Revenues is sales taxes in the General Fund. In addition, charges for services increased $3.1 million from the previous year. The largest type of charges for services are water and sewer fees in the Utility Fund.

- Governmental charges for services include dispatch services, ambulance fees, police security charges, and various development fees. Governmental charges for services increased from $20.0 million to $23.1 million primarily due to transfers to the Fleet Services Fund for fleet maintenance and vehicle purchases, and Health Insurance Fund for employee health plans.

- Business-Type charges for services are primarily water and sewer charges for service and increased $727 thousand.

Government-wide intergovernmental revenues increased from $26.6 million to $28.6 million.

- The Village receives 2.0% of all sales purchases within its jurisdiction; this consists of 1% of the State sales tax rate and a 1% home rule sales tax (effective January 1, 2015). Village-wide sales taxes increased by $1.0 million.

- Income taxes increased $400 thousand from $5.1 million to $5.5 million.

- Investment income increased by $800 thousand from $1.9 million to $2.7 million.

Government-wide taxes increased $738 thousand from $19.2 million to $20.0 million.

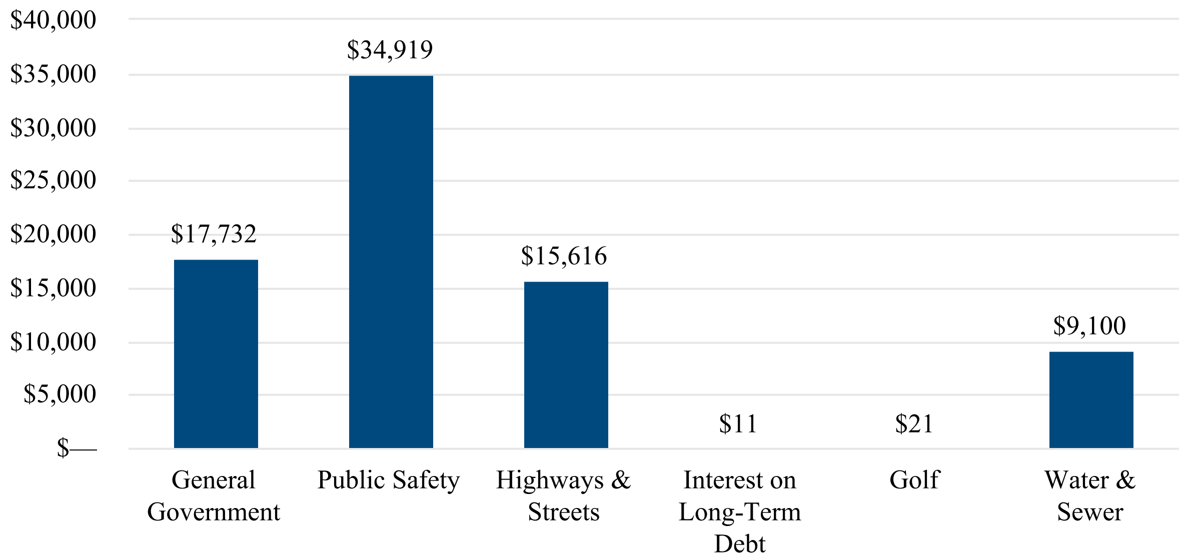
- The amusement tax is 4% (effective May 1, 2018). Amusement taxes increased $0.5 million from $3.8 million to $4.3 million.

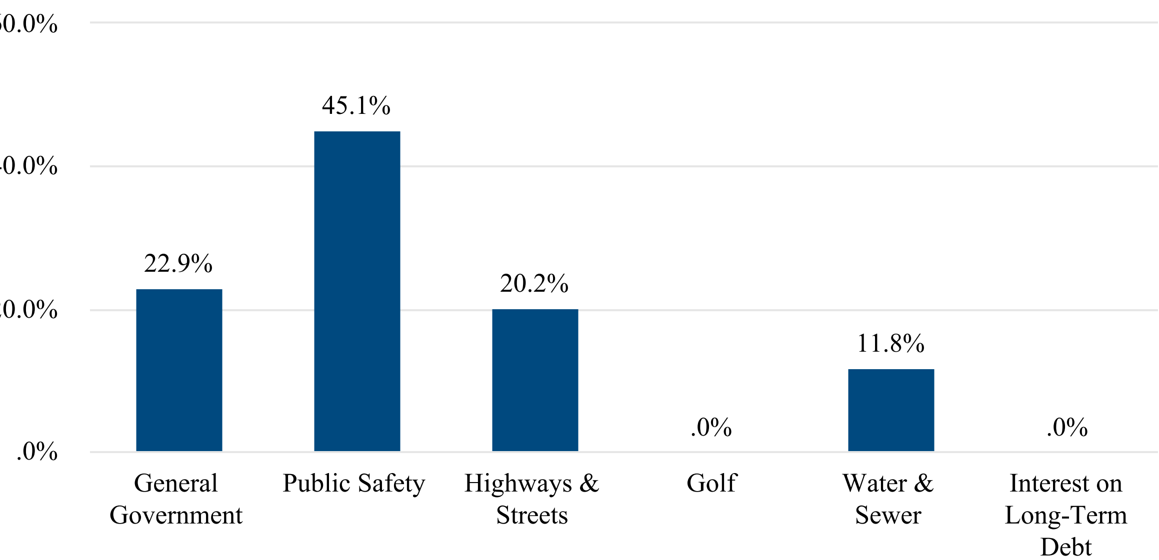
- The hotel tax is 6% (effective May 1, 2018). Hotel taxes increased $0.1 million from $2.3 million to $2.4 million.

- The food and beverage tax is 1%. Food and beverage taxes increased $0.1 million from $2.8 million to $2.9 million.

- The Village imposes a 6% telecommunications tax. Telecommunication (excise) taxes decreased $68,537 thousand from $532.2 thousand to $463.7 thousand. Telecommunication taxes will continue to decline as consumer behaviors change to communication methods not subject to the tax.

Fiscal Year 2024/2025 Expenses





Total Government-wide expenses increased $2.0 million or 2.6%, from $75.4 million to $77.4 million.

Governmental activities expenses increased $2.5 million or 3.8%, from $65.8 million to $68.3 million.

General government expenses increased $4.5 million or 33.7% from $13.3 million to $17.7 million. Included are the costs associated with the Administration, Human Resources, Finance, Information Systems, Engineering and Building & Zoning divisions, as well as the Village's contractual obligations and debt service. The Village's contractual obligations include voluntary contributions to the Gurnee Days Corporation and Lake County Convention Bureau. The Village also participates in revenue sharing agreements with Gurnee Mills, Great Wolf Lodge and several others. The largest increases included interfund transfers for health insurance and capital.

Public safety expenses decreased $0.5 million, or 1.4%, from the previous year. Public safety consists of the operation of the Village's police department, fire department, and emergency dispatch departments. The Village filled several open and vacated positions throughout the fiscal year within the Police and Fire Departments resulting in decreased overtime.

Highways and streets, including public works, vehicle maintenance and the Village's routine repair and maintenance projects, decreased $1.5 million or 8.5% from the prior year primarily due to the road resurfacing program.

Interest expenses increased $11 thousand from the previous fiscal year, which did not record any interest expense.

Business-type activities expense decreased $0.6 million from $9.7 million to $9.1 million. Business-Type activities consists of the Village's Water and Sewer, and Golf Course enterprise funds.

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

Water and Sewer expenses decreased $0.55 from $9.65 million to $9.10 million. This is primarily due to the capital plan and meter replacement program.

GOVERNMENTAL FUNDS

The focus of the Village's governmental funds is to provide information about near-term inflows and outflows of resources as well as the balance of spendable resources. In particular, the unassigned fund balance for each fund is a useful measure of the net resources available to the fund at the end of the fiscal year. As of April 30, 2025, the Village's governmental funds had combined ending fund balances of $50,141,273, an increase of $3,840,669 from the 2024 ending fund balances of $46,300,604.

The General Fund had excess revenues over expenditures of $6,417,218 in the current year, prior to transfers out of $4,000,000, resulting in a net increase to fund balance of $2,417,218. The increase was primarily due to increased major revenues like sales taxes and income tax. Expenditures saw an increase of $2,273,484 from the prior year primarily due to an increase in general government expenditures.

Fund balance increased by $82 thousand in the Motor Fuel Tax Fund primarily due to a decrease of $650,000 in highway and street expenditures and an increase of $37,006 in MFT revenue allotments.

Fund balance decreased by $0.2 million in the Capital Improvement Fund primarily due to an increase in capital outlay expenditures of $2,128,440 compared to the prior year, which was partially offset by an increase in transfers in of $1,226,928 compared to the prior year.

BUDGET HIGHLIGHTS

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

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

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

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

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

	Budget	Actual	Variance from Budget	Percentage Difference
REVENUES				
Taxes	10,965	11,891	926	8.4%
Intergovernmental	30,914	32,816	1,902	6.2%
Charges for Service	11,316	11,554	238	2.1%
Licenses and Permits	1,200	1,184	(16)	(1.3%)
Fines and Forfeitures	1,296	1,033	(263)	(20.3%)
Investment Income	1,355	1,880	525	38.8%
Miscellaneous	260	512	252	97.1%
Total Revenues	57,306	60,871	3,565	6.2%
EXPENDITURES				
General Government	15,512	15,563	51	0.3%
Public Safety	36,374	34,044	(2,330)	(6.4%)
Highways and Streets	3,861	3,338	(522)	(13.5%)
Capital Outlay	1,519	1,392	(126)	(8.3%)
Debt Service				
Principal Retirement	—	110	110	100.0%
Interest and Fiscal Charges	—	7	7	100.0%
Total Expenditures	57,266	54,454	(2,812)	—
Net Change in Fund Balance	40	6,417	754	11.7%

*Variation in values may occur due to rounding

General Fund revenues were over budget by $3.6 million or 6.2%.

Taxes were $0.9 million or 8.4% over budget primarily due to better than expected performance from Amusement, Road and Bridge, Food and Beverage, and Telecommunication Taxes.

Licenses and permits were $16 thousand, or 1.3%, under budget primarily due to the timing of development projects.

Fines and forfeitures were $263 thousand, or 20.3%, under budget primarily due to red light cameras being offline awaiting IDOT approval.

Miscellaneous revenue was $252 thousand, or 97.1%, over budget primarily due to workers' compensation reimbursements generating $130,487 more than budgeted. Also, $220,212 in MICA Revenue was generated, which had no budget for the fiscal year.

Intergovernmental revenues were $1,902 thousand, or 6.2%, over budget. Sales Taxes are the largest revenue source for the Village and posted a positive variance of $2.2 million or 10.7%.

Investment income was over budget by $525 thousand or 38.8% primarily due to better than expected rates.

General government expenditures were $51 thousand, or 0.3%, over budget primarily due to settled litigation which was higher than anticipated.

Public safety expenditures were $2,330 thousand, or 6.4%, under budget primarily due to vacant positions that were not filled during the fiscal year.

Highways and streets classified expenditures were $522 thousand, or 13.5% under budget primarily due to lower fuel expenses.

The Village contributes to the Police and Firefighters' Pension funds from General Fund revenues absent a property tax levy. Fiscal year 2024/2025 employer contributions were made based upon an independent actuarial calculation which was taken from the most recent audited fiscal year which ended prior to fiscal year budget completion (April 30, 2024). The Illinois Municipal Retirement Fund (IMRF) covers employees, other than those covered by Police and Firefighters' Pension plans, hired in positions that meet or exceed a prescribed hourly standard. See Note 4, Employee Retirement System - Defined Benefit Pension Plans section for more information.

- Police Pension: The lump sum employer contribution for fiscal year 2024/2025 increased $54 thousand, or 2.0%, from $2.71 million to $2.76 million.
- Firefighters' Pension: The lump sum employer contribution for fiscal year 2024/2025 increased $45 thousand, or 2.0%, from $2.27 million to $2.31 million.
- IMRF: The Village employer rate decreased from the previous calendar year from 7.92% in 2024 to 7.38% in 2025.

In addition to providing pension benefits, the Village provides other post-employment benefits to its retirees (OPEB) in the form of health insurance. This is a single employer defined benefit plan that includes employees, retirees, and Public Safety Employee Benefits Act (PSEBA) employees. All retirees contribute 100% of the actuarially determined premium to the plan. Public Safety employees who are classified as catastrophically disabled in accordance with the Public Safety Employee Benefit Act (820 ILCS 320) do not pay insurance premiums. The Village is responsible for the PSEBA employee and his/her spouse insurance coverage until death and the employee's children until age 25 with certain exceptions. As of April 30, 2025, the total OPEB liability each was $10.10 million.

The total OPEB liability as a percentage of covered-employee payroll was 39.90%. The Village does not fund the liability in advance, but uses a "pay as you go" method. The Village has nine PSEBA employees. The cost of providing insurance coverage for the PSEBA employees account for the majority of the $10.10 million actuarial accrued liability. The accounting for this liability is in accordance with GASB Statement No. 75 of the Governmental Accounting Standards Board.

Different measurement focus and bases of accounting are used in the accounting and financial reporting for the Village's governmental activities and government funds even though the financial statements for each essentially address the same Village operations. The economic resources measurement focus and the accrual basis of accounting are used for governmental activities. On the other hand, the current financial resources measurement focus and modified accrual basis of accounting are used for the governmental funds. To reconcile the fund balances of the governmental funds with the net position of governmental activities as of April 30, 2025, the Village has provided a reconciliation in the basic financial statements section of this report. The most significant reconciling items include:

- $78.2 million of capital assets are included in the assets of governmental activities. Over the course of time, these costs were recorded as expenditures in the governmental funds.
- $17.3 million in long-term deferred outflows/inflows related to pensions is not reported in the governmental funds.

- $2.5 million of various Village tax revenues are deferred in the funds because they will be collected after year-end but are not available soon enough to pay for the current period's expenditures.

- $51.7 million of long-term liabilities are not included in the governmental funds because they are not due and payable during the current period. Instead, payments are recorded as expenditures when due and payable.

CAPITAL ASSETS

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

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Land	34,508	34,508	5,039	5,039	39,547	39,547
Construction in Progress	1,040	536	—	—	1,040	536
Building and Improvements	16,966	16,659	2,272	1,821	19,238	18,480
Vehicles	5,987	5,730	1,579	1,621	7,566	7,351
Equipment	2,700	1,681	861	916	3,560	2,597
Leasehold Improvements	—	—	144	165	144	165
Water Plants and Mains	—	—	36,168	35,965	36,168	35,965
Sewer Plants and Mains	—	—	13,427	12,803	13,427	12,803
Storm Sewers	—	—	9,068	9,289	9,068	9,289
Infrastructure	16,680	16,110	—	—	16,680	16,110
Subscription Assets - Software	306	419	—	—	306	419
Total Net Capital Assets	78,186	75,644	68,558	67,618	146,744	143,262

*Variation in values may occur due to rounding

The Village's total capital assets, net of accumulated depreciation/amortization, increased by $3.5 million from last fiscal year to the current fiscal year. Governmental Activities capital assets increased by $2.5 million or 3.4% and Business-Type Activities increased by $0.9 million or 1.4%.

Additions in the Governmental Funds consisted primarily of HVAC system at Village Hall (CIP), vehicle and equipment purchases, and replacing the material storage bin (Buildings and Improvements). Additions in the Business-Type Funds consisted of the material storage bins, water main and vehicles.

DEBT ADMINISTRATION

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

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Subscription Arrangements	431	579	—	—	431	579
IEPA Loans	—	—	3,193	3,690	3,193	3,690
Total Debt	431	579	3,193	3,690	3,624	4,269

*Variation in values may occur due to rounding

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

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

ECONOMIC FACTORS

The Village's 2024 Equalized Assessed Valuation (EAV) increased $119,172,068 to $1,444,889,393 from $1,325,717,325. Most Village property is located in Warren Township. There was $2,354,730 of new property.

	Real Estate	Railroad	EAV	New Property	Annexations
Warren & Waukegan Townships	$1,443,547,156	$1,342,237	$1,444,889,393	$2,354,730	$0

The principal property taxpayers in Gurnee have remained stable for the past ten years. In both 2016 and 2025, the Mills Corporation (Gurnee Mills Mall) was the highest property taxpayer and Six Flags Great America was the second highest property taxpayer. The top ten principal property taxpayers pay over 10% of all property taxes in Gurnee. Most of these property tax payers are commercial endeavors, lessening the burden on residential owners. The Village of Gurnee does not levy a property tax.

The per capita personal income in Gurnee is $58,304 and the unemployment rate is 3.4%. This compares to last year's $54,921 per capita income and 4.3% unemployment rate.

On June 30, 2014 Standard & Poor's rating Services raised its long-term rating to "AAA" from "AA+" on the Village's 2009, 2011 and 2012 (retired) General Obligation bonds. The Village has not issued any new debt since that time.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

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

BASIC FINANCIAL STATEMENTS

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

- Government-Wide Financial Statements
- Fund Financial Statements

  Governmental Funds

  Proprietary Funds

  Fiduciary Funds

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

Statement of Net Position
April 30, 2025

See Following Page

Statement of Net Position
April 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Current Assets			
Cash and Investments	$ 46,343,766	9,131,761	55,475,527
Receivables - Net of Allowances	11,006,508	3,916,902	14,923,410
Prepaids	959,808	183,577	1,143,385
Inventories	477,074	—	477,074
Total Current Assets	58,787,156	13,232,240	72,019,396
Noncurrent Assets			
Capital Assets			
Nondepreciable/Nonamortizable	35,547,575	5,038,690	40,586,265
Depreciable/Amortizable	87,316,659	101,321,051	188,637,710
Accumulated Depreciation/Amortization	(44,678,435)	(37,802,005)	(82,480,440)
Total Noncurrent Assets	78,185,799	68,557,736	146,743,535
Total Assets	136,972,955	81,789,976	218,762,931
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Items - IMRF	3,785,670	497,751	4,283,421
Deferred Items - Police Pension	8,314,852	—	8,314,852
Deferred Items - Firefighters' Pension	5,176,398	—	5,176,398
Deferred Items - RBP	5,020,585	239,965	5,260,550
Deferred Items - ARO	—	351,072	351,072
Total Deferred Outflows of Resources	22,297,505	1,088,788	23,386,293
Total Assets and Deferred Outflows of Resources	159,270,460	82,878,764	242,149,224

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

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	$ 2,465,558	756,228	3,221,786
Accrued Payroll	1,221,917	50,679	1,272,596
Medical Claims Payable	252,179	4,429	256,608
Deposits Payable	88,597	—	88,597
Accrued Interest Payable	—	26,397	26,397
Other Payables	1,330,701	466,126	1,796,827
Current Portion of Long-Term Liabilities	1,156,595	287,142	1,443,737
Total Current Liabilities	6,515,547	1,591,001	8,106,548
Noncurrent Liabilities			
Compensated Absences Payable	2,048,332	46,084	2,094,416
Net Pension Liability - IMRF	4,112,564	540,733	4,653,297
Net Pension Liability - Police Pension	20,591,905	—	20,591,905
Net Pension Liability - Firefighters' Pension	14,362,785	—	14,362,785
Total OPEB Liability - RBP	9,146,193	437,161	9,583,354
Subscription Arrangements	279,670	—	279,670
IEPA Loans Payable	—	2,940,968	2,940,968
Asset Retirement Obligation	—	440,000	440,000
Total Noncurrent Liabilities	50,541,449	4,404,946	54,946,395
Total Liabilities	57,056,996	5,995,947	63,052,943
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	763,012	—	763,012
Deferred Items - Leases	—	900,813	900,813
Deferred Items - IMRF	38,914	5,117	44,031
Deferred Items - Police Pension	1,038,716	—	1,038,716
Deferred Items - Firefighters' Pension	2,243,758	—	2,243,758
Deferred Items - RBP	1,657,912	79,242	1,737,154
Total Deferred Inflows of Resources	5,742,312	985,172	6,727,484
Total Liabilities and Deferred Inflows of Resources	62,799,308	6,981,119	69,780,427
NET POSITION			
Net Investment in Capital Assets	77,216,951	64,608,490	141,825,441
Restricted - Motor Fuel Tax	1,035,397	—	1,035,397
Restricted - Public Safety	1,840,067	—	1,840,067
Restricted - Economic Development	1,057,902	—	1,057,902
Unrestricted	15,320,835	11,289,155	26,609,990
Total Net Position	96,471,152	75,897,645	172,368,797

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

Statement of Activities
For the Fiscal Year Ended April 30, 2025

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants/ Contributions	Program Revenues: Capital Grants/ Contributions
Governmental Activities				
General Government	$ 17,731,901	7,959,264	—	—
Public Safety	34,919,234	12,082,042	114,552	226,587
Highways and Streets	15,616,007	3,089,494	—	—
Interest on Long-Term Debt	11,450	—	—	—
Total Governmental Activities	68,278,592	23,130,800	114,552	226,587
Business-Type Activities				
Golf	21,142	—	—	—
Water and Sewer	9,100,004	11,152,058	—	—
Total Business-Type Activities	9,121,146	11,152,058	—	—
Total Primary Government	77,399,738	34,282,858	114,552	226,587

General Revenues
- Taxes
  - Amusement Tax
  - Hotel Tax
  - Food and Beverage Tax
  - Telecommunications Tax
  - Other Taxes
  - Motor Fuel Tax
  - Home Rule Sales Tax
- Intergovernmental - Unrestricted
  - Sales Tax
  - Income Tax
  - Replacement Tax
- Investment Income
- Miscellaneous

Internal Activity - Transfers

Change in Net Position

Net Position - Beginning

Net Position - Ending

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

Primary Government		
Net (Expenses)/Revenues		
Governmental Activities	Business-Type Activities	Totals
(9,772,637)	—	(9,772,637)
(22,496,053)	—	(22,496,053)
(12,526,513)	—	(12,526,513)
(11,450)	—	(11,450)
(44,806,653)	—	(44,806,653)
—	(21,142)	(21,142)
—	2,052,054	2,052,054
—	2,030,912	2,030,912
(44,806,653)	2,030,912	(42,775,741)
4,270,626	—	4,270,626
2,387,702	—	2,387,702
2,896,131	—	2,896,131
461,709	—	461,709
2,724,453	—	2,724,453
1,392,178	—	1,392,178
5,834,482	—	5,834,482
22,890,291	—	22,890,291
5,475,989	—	5,475,989
193,525	—	193,525
2,305,325	314,344	2,619,669
602,957	43,499	646,456
(1,250,000)	1,250,000	—
50,185,368	1,607,843	51,793,211
5,378,715	3,638,755	9,017,470
91,092,437	72,258,890	163,351,327
96,471,152	75,897,645	172,368,797

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

Balance Sheet - Governmental Funds
April 30, 2025

	General
ASSETS	
Cash and Investments	$ 33,117,718
Receivables - Net of Allowances	
Taxes	8,283,315
Accounts	—
Other	509,677
Prepaids	928,936
Inventories	290,336
Total Assets	43,129,982
LIABILITIES	
Accounts Payable	1,927,445
Accrued Payroll	975,295
Medical Claims Payable	252,179
Deposits Payable	88,597
Other Payables	3,346,629
Total Liabilities	6,590,145
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	763,012
Total Liabilities and Deferred Inflows of Resources	7,353,157
FUND BALANCES	
Nonspendable	1,219,272
Restricted	1,057,902
Committed	—
Unassigned	33,499,651
Total Fund Balances	35,776,825
Total Liabilities, Deferred Inflows of Resources and Fund Balances	43,129,982

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

Special Revenue Motor Fuel Tax	Capital Projects Capital Improvement	Nonmajor	Totals
1,053,443	9,178,221	2,994,384	46,343,766
215,774	—	—	8,499,089
—	1,571,917	425,825	1,997,742
—	—	—	509,677
—	—	30,872	959,808
—	—	186,738	477,074
1,269,217	10,750,138	3,637,819	58,787,156
—	538,002	111	2,465,558
233,820	—	12,802	1,221,917
—	—	—	252,179
—	—	—	88,597
—	507,991	—	3,854,620
233,820	1,045,993	12,913	7,882,871
—	—	—	763,012
233,820	1,045,993	12,913	8,645,883
—	—	217,610	1,436,882
1,035,397	—	1,840,067	3,933,366
—	9,704,145	1,567,229	11,271,374
—	—	—	33,499,651
1,035,397	9,704,145	3,624,906	50,141,273
1,269,217	10,750,138	3,637,819	58,787,156

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

Reconciliation of the Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities
April 30, 2025

Total Governmental Fund Balances	$ 50,141,273
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	78,185,799
Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Deferred Items - IMRF	3,746,756
Deferred Items - Police Pension	7,276,136
Deferred Items - Firefighters' Pension	2,932,640
Deferred Items - RBP	3,362,673
Various Village tax revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore, are deferred in the funds.	2,523,919
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(2,560,415)
Net Pension Liability - IMRF	(4,112,564)
Net Pension Liability - Police Pension	(20,591,905)
Net Pension Liability - Firefighters' Pension	(14,362,785)
Total OPEB Liability - RBP	(9,639,529)
Subscription Arrangements	(430,846)
Net Position of Governmental Activities	96,471,152

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

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended April 30, 2025

See Following Page

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended April 30, 2025

	General
Revenues	
Taxes	$ 11,890,963
Intergovernmental	32,816,250
Charges for Services	11,554,443
Licenses and Permits	1,183,884
Fines and Forfeitures	1,032,583
Investment Income	1,880,424
Miscellaneous	512,403
Total Revenues	60,870,950
Expenditures	
General Government	15,563,094
Public Safety	34,043,832
Highways and Streets	3,338,183
Capital Outlay	1,392,429
Debt Service	
Principal Retirement	109,566
Interest and Fiscal Charges	6,628
Total Expenditures	54,453,732
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,417,218
Other Financing Sources (Uses)	
Transfers In	—
Transfers Out	(4,000,000)
	(4,000,000)
Net Change in Fund Balances	2,417,218
Fund Balances - Beginning	33,359,607
Fund Balances - Ending	35,776,825

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

Special Revenue Motor Fuel Tax	Capital Projects Capital Improvement	Nonmajor	Totals
—	5,834,482	—	17,725,445
1,392,178	226,587	—	34,435,015
—	—	5,662,670	17,217,113
—	—	—	1,183,884
—	—	68,927	1,101,510
39,893	378,100	6,908	2,305,325
—	82,398	8,156	602,957
1,432,071	6,521,567	5,746,661	74,571,249
—	—	—	15,563,094
—	—	3,433	34,047,265
1,350,000	—	1,721,582	6,409,765
—	9,581,845	2,326,487	13,300,761
—	—	38,679	148,245
—	—	4,822	11,450
1,350,000	9,581,845	4,095,003	69,480,580
82,071	(3,060,278)	1,651,658	5,090,669
—	2,876,928	—	2,876,928
—	—	(126,928)	(4,126,928)
—	2,876,928	(126,928)	(1,250,000)
82,071	(183,350)	1,524,730	3,840,669
953,326	9,887,495	2,100,176	46,300,604
1,035,397	9,704,145	3,624,906	50,141,273

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

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities - Governmental Activities
For the Fiscal Year Ended April 30, 2025

Net Change in Fund Balances - Total Governmental Funds	$ 3,840,669
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. however, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense.	
Capital Outlays	5,238,292
Depreciation/Amortization Expense	(2,643,946)
Disposals - Cost	(183,193)
Disposals - Accumulated Depreciation	131,135
The net effect of deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Change in Deferred Items - IMRF	728,522
Change in Deferred Items - Police Pension	(2,110,040)
Change in Deferred Items - Firefighters' Pension	514,270
Change in Deferred Items - RBP	1,354,123
Because various revenues will not be collected for several months after the Village's year-end, they are not considered available revenues and are deferred in governmental funds.	336,058
The issuance of long-term debt provides current financial resources to governmental funds, While the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.	
Change in Compensated Absences Payable	(1,340,227)
Change in Net Pension Liability/(Asset) - IMRF	(943,564)
Change in Net Pension Liability - Police Pension	2,005,849
Change in Net Pension Liability - Firefighters' Pension	23,346
Change in Total OPEB Liability - RBP	(1,720,824)
Debt Retirement	148,245
Changes in Net Position of Governmental Activities	5,378,715

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

Statement of Net Position - Proprietary Funds
April 30, 2025

See Following Page

Statement of Net Position - Proprietary Funds
April 30, 2025

	Business-Type Activities - Enterprise Funds		
	Golf Course	Water and Sewer	Totals
ASSETS			
Current Assets			
Cash and Investments	$ 1,524,998	7,606,763	9,131,761
Receivables - Net of Allowances			
Accounts	4,893	2,966,061	2,970,954
Leases	—	945,948	945,948
Prepaids	—	183,577	183,577
Total Current Assets	1,529,891	11,702,349	13,232,240
Noncurrent Assets			
Capital Assets			
Nondepreciable	4,494,436	544,254	5,038,690
Depreciable	422,834	100,898,217	101,321,051
Accumulated Depreciation	(278,960)	(37,523,045)	(37,802,005)
Total Noncurrent Assets	4,638,310	63,919,426	68,557,736
Total Assets	6,168,201	75,621,775	81,789,976
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Items - IMRF	—	497,751	497,751
Deferred Items - RBP	—	239,965	239,965
Deferred Items - ARO	—	351,072	351,072
Total Deferred Outflows of Resources	—	1,088,788	1,088,788
Total Assets and Deferred Outflows of Resources	6,168,201	76,710,563	82,878,764

	Business-Type Activities - Enterprise Funds		
	Golf Course	Water and Sewer	Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	$ —	756,228	756,228
Accrued Payroll	—	50,679	50,679
Medical Claims Payable	—	4,429	4,429
Accrued Interest Payable	40,000	426,126	466,126
Other Payables	—	26,397	26,397
Current Portion of Long-Term Liabilities	—	287,142	287,142
Total Current Liabilities	40,000	1,551,001	1,591,001
Noncurrent Liabilities			
Compensated Absences Payable	—	46,084	46,084
Net Pension Liability - IMRF	—	540,733	540,733
Total OPEB Liability - RBP	—	437,161	437,161
IEPA Loan Payable	—	2,940,968	2,940,968
Asset Retirement Obligation	—	440,000	440,000
Total Noncurrent Liabilities	—	4,404,946	4,404,946
Total Liabilities	40,000	5,955,947	5,995,947
DEFERRED INFLOWS OF RESOURCES			
Deferred Items - Leases	—	900,813	900,813
Deferred Items - IMRF	—	5,117	5,117
Deferred Items - RBP	—	79,242	79,242
Total Deferred Inflows of Resources	—	985,172	985,172
Total Liabilities and Deferred Inflows of Resources	40,000	6,941,119	6,981,119
NET POSITION			
Net Investment in Capital Assets	4,638,310	59,970,180	64,608,490
Unrestricted	1,489,891	9,799,264	11,289,155
Total Net Position	6,128,201	69,769,444	75,897,645

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

Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds
For the Fiscal Year Ended April 30, 2025

	Business-Type Activities - Enterprise Funds		
	Golf Course	Water and Sewer	Totals
Operating Revenues			
Charges for Services	$ —	11,152,058	11,152,058
Operating Expenses			
Operations	—	7,100,905	7,100,905
Depreciation and Amortization	21,142	1,934,224	1,955,366
Total Operating Expenses	21,142	9,035,129	9,056,271
Operating Income (Loss)	(21,142)	2,116,929	2,095,787
Nonoperating Revenues (Expenses)			
Investment Income	83,068	231,276	314,344
Other Income	—	43,499	43,499
Interest Expense	—	(64,875)	(64,875)
	83,068	209,900	292,968
Income Before Transfers	61,926	2,326,829	2,388,755
Transfers In	1,000,000	250,000	1,250,000
Change in Net Position	1,061,926	2,576,829	3,638,755
Net Position - Beginning	5,066,275	67,192,615	72,258,890
Net Position - Ending	6,128,201	69,769,444	75,897,645

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

Statement of Cash Flows - Proprietary Funds
For the Fiscal Year Ended April 30, 2025

	Business-Type Activities - Enterprise Funds		
	Golf Course	Water and Sewer	Totals
Cash Flows from Operating Activities			
Receipts from Customers and Users	$ —	10,528,933	10,528,933
Payments to Employees	—	(1,205,109)	(1,205,109)
Payments to Suppliers	(40)	(6,298,046)	(6,298,086)
	(40)	3,025,778	3,025,738
Cash Flows from Noncapital Financing Activities			
Transfers In	1,000,000	250,000	1,250,000
Cash Flows from Capital and Related Financing Activities			
Purchase of Capital Assets	—	(2,917,712)	(2,917,712)
Disposal of Capital Assets	—	22,700	22,700
Principal on Capital Related Debt	—	(497,473)	(497,473)
Interest on Capital Related Debt	—	(64,875)	(64,875)
	—	(3,457,360)	(3,457,360)
Cash Flows from Investing Activities			
Interest Received	83,068	231,276	314,344
Net Change in Cash and Cash Equivalents	1,083,028	49,694	1,132,722
Cash and Cash Equivalents - Beginning	441,970	7,557,069	7,999,039
Cash and Cash Equivalents - Ending	1,524,998	7,606,763	9,131,761
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	(21,142)	2,116,929	2,095,787
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities:			
Depreciation and Amortization	21,142	1,934,224	1,955,366
Other Income	—	43,499	43,499
(Increase) Decrease in Current Assets	(40)	(666,624)	(666,664)
Increase (Decrease) in Current Liabilities	—	(402,250)	(402,250)
Net Cash Provided by Operating Activities	(40)	3,025,778	3,025,738

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

Statement of Fiduciary Net Position
April 30, 2025

	Pension Trusts	Custodial NE Lake County Consolidated ETSB
ASSETS		
Cash and Cash Equivalents	$ 1,331,569	249
Investments		
Illinois Police Officers' Pension Investment Fund	81,583,495	—
Illinois Firefighters' Pension Consolidated Investment Fund	64,318,947	—
Receivables - Net of Allowances		
Accounts	—	69,179
Prepaids	10,001	—
Total Assets	147,244,012	69,428
LIABILITIES		
Accounts Payable	3,265	—
NET POSITION		
Restricted for		
Pensions	147,240,747	—
Individuals, Organizations, and Other Governments	—	69,428
	147,240,747	69,428

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

Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended April 30, 2025

	Pension Trusts	Custodial NE Lake County Consolidated ETSB
Additions		
Contributions - Employer	$ 5,077,006	—
Contributions - Plan Members	1,444,502	—
Contributions - Other	360,513	—
Total Contributions	6,882,021	—
Investment Earnings		
Interest Earned	5,464,685	92,230
Net Change in Fair Value	8,113,983	—
	13,578,668	92,230
Less Investment Expenses	(160,458)	—
Net Investment Income	13,418,210	92,230
Charges for Services	—	1,004,207
Total Additions	20,300,231	1,096,437
Deductions		
Administration	140,030	—
Benefits and Refunds	7,535,694	—
Professional Services	—	3,689,638
Total Deductions	7,675,724	3,689,638
Change in Fiduciary Net Position	12,624,507	(2,593,201)
Net Position Restricted for Pensions, Individuals, Organizations, and Other Governments		
Beginning	134,616,240	2,662,629
Ending	147,240,747	69,428

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

REPORTING ENTITY

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

Police Pension Employees Retirement System

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

REPORTING ENTITY - Continued

Firefighters' Pension Employees Retirement System

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

BASIS OF PRESENTATION

Government-Wide Statements

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

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

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

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, public safety, highways and streets, etc.). The functions are supported by general government revenues (sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Government-Wide Statements - Continued

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

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

Fund Financial Statements

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

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

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

> Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
>
> Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements - Continued

Governmental Funds

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

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

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

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

Proprietary Funds

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

Enterprise Funds are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains two major enterprise funds, the Golf Course Fund and the Water and Sewer Fund. The Golf Course Fund accounts for the construction and operation of a municipal golf course. The Water and Sewer Fund accounts for the provision of potable water and wastewater treatment services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing and related debt service, billing and collections.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements - Continued

Fiduciary Funds

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

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

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

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

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

Measurement Focus - Continued

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

Basis of Accounting

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

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

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

All proprietary, pension trust and custodial funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the Village’s enterprise funds are charges to customers for sales and services. The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND FUND BALANCE/ NET POSITION

Cash and Investments

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

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Receivables

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

Prepaids

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

Inventories

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

Interfund Receivables, Payables and Activity

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND FUND BALANCE/ NET POSITION - Continued

Capital Assets

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

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

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

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

Buildings and Improvements	20 - 50 Years
Vehicles	3 - 15 Years
Equipment	5 - 30 Years
Infrastructure	50 Years
Subscription Assets - Software	5 - 7 Years
Leased Asset -Leasehold Interest	20 - 50 Years
Water Plant and Mains	30 - 75 Years
Sewer Plant and Mains	30 - 75 Years
Storm Sewers	75 Years

Deferred Outflows/Inflows of Resources

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND FUND BALANCE/ NET POSITION - Continued

Compensated Absences

Village employees can earn between 2 to 5 weeks of annual vacation leave, depending on their length of service with the Village. Up to 40 hours of unused vacation time can be carried into the following year. Upon separation or retirement, employees are eligible to receive compensation for accrued but unused vacation leave.

Employees also accrue 12 days of annual sick leave. Up to 4 accrued sick days can be converted to personal time off, and these days are not eligible to be carried into the following year. Upon separation of employment or retirement, employees are not eligible to receive compensation for accrued but unused sick leave.

Long-Term Obligations

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

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

Net Position

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

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

Restricted - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND FUND BALANCE/ NET POSITION - Continued

Use of Estimates

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

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

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

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

The level of control (level at which expenditures may not exceed budget) is each individual fund. The Village Board of Trustees has delegated authority to the Budget Officer to delete, add to, change or create sub-classes within object-classes budgeted previously, with the exception of salaries specifically approved by the Board, but may not change the total budget of a fund. By vote of two-thirds, the budget may be revised by the Board of Trustees. Budgets were adopted for all funds on a basis of accounting consistent with GAAP. During the year, there were no appropriations.

EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN AN INDIVIDUAL FUND

The following fund had an excess of actual expenditures over budget as of the date of this report:

Fund	Excess
NE Lake County ETSB	$ 626,773

NOTE 3 - DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

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

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

The Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are valued at the share price, which is the price for which the investment could be sold.

Village

Deposits. At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled $31,721,973 the bank balances totaled $32,745,293.

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

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Obligations	$ 3,422,268	1,089,281	2,332,987	—	—
U.S. Agency Obligations	1,387,252	—	1,387,252	—	—
State and Local Obligations	6,092,647	5,431,794	660,853	—	—
Corporate Bonds	1,395,304	1,395,304	—	—	—
Illinois Funds	11,456,083	11,456,083	—	—	—
Totals	23,753,554	19,372,462	4,381,092	—	—

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Village - Continued

Investments - Continued. The Village has the following recurring fair value measurements as of April 30, 2025:

		Fair Value Measurements Using		
Investments by Fair Value Level	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
U.S. Treasury Obligations	$ 3,422,268	3,422,268	—	—
U.S. Agency Obligations	1,387,252	—	1,387,252	—
State and Local Obligations	6,092,647	—	6,092,647	—
Corporate Bonds	1,395,304	—	1,395,304	—
Total Investments by Fair Value Level	10,902,167	3,422,268	8,875,203	—
Investments Measured at the Net Asset Value (NAV)				
Illinois Funds	11,456,083			
Total Investments Measured at Fair Value	23,753,554			

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

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

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Village - Continued

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

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

For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village's investment policy requires that all in investments in excess of insurance limits be collateralized. At year-end, the Village's investment in the Illinois Funds is not subject to custodial credit risk.

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

Police Pension Fund

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

Deposits. The Fund retains all its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the Fund. The excess of available cash is required to be transferred to IPOPIF for purposes of the long-term investment for the Fund. At year-end, the carrying amount of the Fund's cash on hand totaled $1,065,476 and the bank balances totaled $1,065,476.

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Police Pension Fund - Continued

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

Investments. At year-end the Fund has $81,583,495 invested in IPOPIF. The pooled investments consist of the investments as noted in the target allocation table available at www.ipopif.org. Investments in IPOPIF are valued at IPOPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at year-end. The fund may redeem shares with a seven calendar day notice. IPOPIF may, at its sole discretion and based on circumstances, process redemption requests with fewer than a seven calendar day notice. Regular redemptions of the same amount on a particular day of the month may be arranged with IPOPIF.

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

Rate of Return

For the year ended April 30, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 8.81%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Firefighters' Pension Fund

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

Deposits. The Fund retains all its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the Fund. The excess of available cash is required to be transferred to IFPIF for purposes of the long-term investment for the Fund. At year-end, the carrying amount of the Fund's cash on hand totaled $266,093 and the bank balances totaled $266,093.

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

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Firefighters' Pension Fund - Continued

Investments. At year-end the Fund has $64,318,947 invested in IFPIF. The pooled investments consist of the investments as noted in the target allocation table available at www.ifpif.org. Investments in IFPIF are valued at IFPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at year-end. The plan may redeem shares by giving notice by 5:00 pm central time on the 1st of each month. Requests properly submitted on or before the 1st of each month will be processed for redemption by the 14th of the month. Expedited redemptions may be processed at the sole discretion of IFPIF.

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

Rate of Return

For the year ended April 30, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 10.53%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

PROPERTY TAXES

Property taxes for the 2024 levy attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about June 1 and September 1. The County collects such taxes and remits them periodically. The Village did not levy property taxes for the 2024 tax levy year; however, the Village did receive Road and Bridge taxes in the amounts of $764,757.

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount	
Capital Improvement	General	2,750,000	(1)
Capital Improvement	Nonmajor Governmental	126,928	(1)
Golf Course	General	1,000,000	(2)
Water and Sewer	General	250,000	(2)
		4,126,928	

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

LEASES RECEIVABLE

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

Lease	Start Date	End Date	Payments	Interest Rate
Vogue Cell Tower	May 1, 2022	March 1, 2040	$2,952 per month, including interest	3.00%
Vogue Cell Tower	May 1, 2022	May 1, 2025	$21,000 per year, including interest	3.81%
AT&T Cell Tower	May 1, 2022	May 1, 2031	$21,000 per year, including interest	4.00%
T-Mobile Cell	May 1, 2022	May 1, 2030	$21,000 per year, including interest	4.00%
T-Mobile Cell	May 1, 2022	May 1, 2030	$21,000 per year, including interest	4.00%
T-Mobile Cell	May 1, 2022	May 1, 2037	$24,000 per year, including interest	4.00%

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

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

Fiscal Year	Principal	Interest
2026	$ 89,137	33,287
2027	92,482	29,942
2028	95,955	26,469
2029	99,558	22,866
2030	103,301	19,125
2031 - 2035	261,123	56,998
2036 - 2040	204,392	14,744
	945,948	203,431

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable/Nonamortizable Capital Assets				
Land	$ 34,507,882	—	—	34,507,882
Construction in Progress	536,423	903,184	399,914	1,039,693
	35,044,305	903,184	399,914	35,547,575
Depreciable/Amortizable Capital Assets				
Building and Improvements	25,662,485	860,193	—	26,522,678
Vehicles	14,023,860	1,089,272	32,369	15,080,763
Equipment	7,871,703	1,501,043	150,824	9,221,922
Infrastructure	34,647,906	1,284,514	—	35,932,420
Subscription Assets - Software	558,876	—	—	558,876
	82,764,830	4,735,022	183,193	87,316,659
Less Accumulated Depreciation/Amortization				
Building and Improvements	9,003,816	552,913	—	9,556,729
Vehicles	8,293,925	832,661	32,369	9,094,217
Equipment	6,190,378	430,766	98,766	6,522,378
Infrastructure	18,537,786	714,747	—	19,252,533
Subscription Assets - Software	139,719	112,859	—	252,578
	42,165,624	2,643,946	131,135	44,678,435
Total Net Depreciable/Amortizable Capital Assets	40,599,206	2,091,076	52,058	42,638,224
Total Net Capital Assets	75,643,511	2,994,260	451,972	78,185,799

Depreciation expense was charged to governmental activities as follows:

General Government	$ 194,779
Public Safety	1,305,394
Highways and Streets	1,143,773
	2,643,946

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS - Continued

Business-Type Activities

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

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable/Nonamortizable Capital Assets				
Land	$ 5,038,690	—	—	5,038,690
Depreciable/Amortizable Capital Assets				
Building and Improvements	2,819,139	520,418	—	3,339,557
Vehicles	3,084,322	207,883	49,847	3,242,358
Equipment	2,335,987	57,342	68,101	2,325,228
Leased Asset - Leasehold Interests	422,834	—	—	422,834
Water Plants and Mains	50,746,274	1,195,313	—	51,941,587
Sewer Plants and Mains	22,575,042	936,756	—	23,511,798
Storm Sewers	16,537,689	—	—	16,537,689
	98,521,287	2,917,712	117,948	101,321,051
Less Accumulated Depreciation/Amortization				
Building and Improvements	998,023	69,604	—	1,067,627
Vehicles	1,463,052	250,073	49,847	1,663,278
Equipment	1,420,454	89,366	45,401	1,464,419
Leased Asset - Leasehold Interests	257,818	21,142	—	278,960
Water Plants and Mains	14,781,678	992,033	—	15,773,711
Sewer Plants and Mains	9,771,745	312,645	—	10,084,390
Storm Sewers	7,249,117	220,503	—	7,469,620
	35,941,887	1,955,366	95,248	37,802,005
Total Net Depreciable/Amortizable Capital Assets	62,579,400	962,346	22,700	63,519,046
Total Net Capital Assets	67,618,090	962,346	22,700	68,557,736

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

Golf Course	$ 21,142
Water and Sewer	1,934,224
	1,955,366

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM OBLIGATIONS

Subscription Based Information Technology Arrangements (SBITAs)

The Village has the following Subscription Arrangements at year end:

Subscription Arrangements	Start Date	End Date	Payments	Interest Rate
Axon	5/1/2022	3/1/2028	$116,194 per Year	1.97%
Flock	12/1/2023	12/1/2030	$43,500 per Year	1.97%

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

Fiscal Year	Principal	Interest
2026	$ 151,176	8,518
2027	154,166	7,737
2028	41,019	2,481
2029	41,830	1,670
2030	42,655	845
	430,846	21,251

IEPA Loans Payable

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

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
IEPA Loan #L17-5394 of 2019, due in semi-annual installments including 1.840% interest bearing, through November 30, 2039.	Water and Sewer	$ 3,690,491	—	497,473	3,193,018

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM OBLIGATIONS - Continued

Long-Term Liabilities Activity

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	$ 1,220,188	1,340,227	—	2,560,415	512,083
Net Pension Liability - IMRF	3,169,000	943,564	—	4,112,564	—
Net Pension Liability - Police Pension	22,597,754	—	2,005,849	20,591,905	—
Net Pension Liability - Firefighters' Pension	14,386,131	—	23,346	14,362,785	—
Total OPEB Liability - RBP	7,918,705	1,720,824	—	9,639,529	493,336
Subscription Arrangements	579,091	—	148,245	430,846	151,176
	49,870,869	4,004,615	2,177,440	51,698,044	1,156,595
Business-Type Activities					
Compensated Absences	48,512	9,093	—	57,605	11,521
Net Pension Liability - IMRF	403,295	137,438	—	540,733	—
Total OPEB Liability - RBP	496,452	—	35,720	460,732	23,571
IEPA Loans Payable	3,690,491	—	497,473	3,193,018	252,050
Asset Retirement Obligation	440,000	—	—	440,000	—
	5,078,750	146,531	533,193	4,692,088	287,142

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

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

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM OBLIGATIONS - Continued

Legal Debt Margin

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

Asset Retirement Obligation

The Village has recognized an asset retirement obligation (ARO) and related deferred outflow of resources in connection with its obligation to seal and abandon various water wells and demolition of the Village's water towers and standpipes at the end of their useful lives in accordance with federal, state, and/or local requirements. The ARO was measured using actual historical costs for similar abandonments, adjusted for inflation through the end of the year. The estimated remaining useful lives of the water wells are 23 years.

NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of April 30, 2025:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	$ 78,185,799
Less Capital Related Debt:	
Capital Related Accounts Payable	538,002
Subscription Arrangements	430,846
Net Investment in Capital Assets	77,216,951
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	68,557,736
Less Capital Related Debt:	
Capital Related Accounts Payable	756,228
IEPA Loan #L17-5394 of 2019	3,193,018
Net Investment in Capital Assets	64,608,490

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS

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

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

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

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

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

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

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

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

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

		Special Revenue	Capital Projects		
	General	Motor Fuel Tax	Capital Improvement	Nonmajor	Totals
Fund Balances					
Nonspendable					
Prepaids	$ 928,936	—	—	30,872	959,808
Inventories	290,336	—	—	186,738	477,074
	1,219,272	—	—	217,610	1,436,882
Restricted					
Motor Fuel Tax	—	1,035,397	—	—	1,035,397
Public Safety	—	—	—	1,840,067	1,840,067
Economic Development	1,057,902	—	—	—	1,057,902
	1,057,902	1,035,397	—	1,840,067	3,933,366
Committed					
Capital Improvement	—	—	9,704,145	1,567,229	11,271,374
Unassigned	33,499,651	—	—	—	33,499,651
Total Fund Balances	35,776,825	1,035,397	9,704,145	3,624,906	50,141,273

NOTE 4 - OTHER INFORMATION

JOINT VENTURE

Central Lake County Joint Action Water Agency (CLCJAWA)

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

As a charter member, the Village was required to enter into a water purchase and sale contract with the Agency. This contract requires the Village to purchase from the Agency an amount of water necessary to serve its full water requirements. Total purchases for the year ended April 30, 2025 were $2,412,259.

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

NOTE 4 - OTHER INFORMATION - Continued

RISK MANAGEMENT

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

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

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

	Fiscal Year Ended	
	4/30/25	4/30/24
Claims Payable - Beginning	$ 122,724	123,221
Incurred Claims	6,822,426	5,443,399
Claims Paid	(6,688,542)	(5,443,896)
Claims Payable - Ending	256,608	122,724

CONTINGENT LIABILITIES

Litigation

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

Grants

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

NOTE 4 - OTHER INFORMATION - Continued

COMMITMENTS

Central Lake County Joint Action Water Agency (CLCJAWA)

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

Fiscal Year	Amount
2026	$ 2,587,000
2027	2,675,605
2028	2,757,244
2029	2,862,022
2030 - 2034	14,946,999
2035 - 2040	16,066,500
	41,895,370

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

Sales Tax Rebates

The Village has entered into various tax rebate agreements with local corporations under Village code. Under these agreements, the Village rebates a portion of hotel and resort taxes. For the fiscal year ended April 30, 2025, the Village paid $1,396,799 in rebate agreements.

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS

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

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

The aggregate amounts recognized for the pension plans are:

		Net Pension Liabilities	Deferred Outflows	Deferred Inflows	Pension Expense
IMRF	$	4,653,297	4,283,421	44,031	977,115
Police Pension		20,591,905	8,314,852	1,038,716	2,868,053
Firefighters' Pension		14,362,785	5,176,398	2,243,758	1,775,528
		39,607,987	17,774,671	3,326,505	5,620,696

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

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

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

IMRF provides two tiers of pension benefits. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Benefits Provided - Continued. Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Plan Membership. As of December 31, 2024, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	98
Inactive Plan Members Entitled to but not yet Receiving Benefits	57
Active Plan Members	100
Total	255

Contributions. As set by statute, the Village's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended April 30, 2025, the Village's contribution was 7.38% of covered payroll.

Net Pension Liability. The Village's net pension liability was measured as of December 31, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2024, using the following actuarial methods and assumptions:

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

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

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

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	24.50%	5.20%
Domestic Equities	33.50%	4.35%
International Equities	18.00%	5.40%
Real Estate	10.50%	6.40%
Blended	12.50%	4.85% - 6.25%
Cash and Cash Equivalents	1.00%	3.60%

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Village's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	$ 12,564,984	4,653,297	(1,563,020)

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2023	$ 57,165,974	53,593,679	3,572,295
Changes for the year:			
Service Cost	828,136	—	828,136
Interest	4,078,143	—	4,078,143
Difference Between Expected and Actual Experience of the Total Pension Liability	2,997,563	—	2,997,563
Changes of Assumptions	—	—	—
Contributions - Employer	—	720,150	(720,150)
Contributions - Employees	—	465,234	(465,234)
Net Investment Income	—	5,166,509	(5,166,509)
Benefit Payments, including Refunds of Employee Contributions	(2,659,586)	(2,659,586)	—
Other (Net Transfer)	—	470,947	(470,947)
Net Changes	5,244,256	4,163,254	1,081,002
Balances at December 31, 2024	62,410,230	57,756,933	4,653,297

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

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

For the year ended April 30, 2025, the Village recognized pension expense of $977,115. At April 30, 2025, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	$ 2,747,859	(3,173)	2,744,686
Change in Assumptions	—	(40,858)	(40,858)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,278,807	—	1,278,807
Total Pension Expense to be Recognized in Future Periods	4,026,666	(44,031)	3,982,635
Contributions Subsequent to Measurement Date	256,755	—	256,755
Total Deferred Amounts Related to IMRF	4,283,421	(44,031)	4,239,390

$256,755 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended April 30, 2026. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows of Resources
2026	$ 1,472,461
2027	2,312,201
2028	113,976
2029	83,997
2030	—
Thereafter	—
Totals	3,982,635

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan

Plan Descriptions

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

Plan Membership. At April 30, 2025, the measurement date, membership consisted of the following:

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

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

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

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Plan Descriptions - Continued

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

Contributions. Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended April 30, 2025, the Village's contribution was 34.17% of covered payroll.

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

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of April 30, 2025, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.00%
Salary Increases	4.25% - 9.50%
Cost of Living Adjustments	2.50%
Inflation	2.50%

Mortality rates were based on the PubS-2010(A) employee mortality, improved fully generationally using Scale MP-2021 improvement rates.

Discount Rate

The discount rate used to measure the total pension liability was 7.00%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Discount Rate Sensitivity

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability	$ 35,664,365	20,591,905	8,338,539

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2024	$ 98,811,600	76,213,846	22,597,754
Changes for the Year:			
Service Cost	1,600,172	—	1,600,172
Interest on the Total Pension Liability	6,746,029	—	6,746,029
Changes of Benefit Terms		—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	(222,125)	—	(222,125)
Changes of Assumptions	897,329	—	897,329
Contributions - Employer	—	2,763,862	(2,763,862)
Contributions - Employees	—	781,311	(781,311)
Contributions - Buy Backs	—	268,742	(268,742)
Net Investment Income	—	7,287,033	(7,287,033)
Benefit Payments, Including Refunds of Employee Contributions	(4,587,644)	(4,587,644)	—
Other (Net Transfer)	—	—	—
Administrative Expense	—	(73,694)	73,694
Net Changes	4,433,761	6,439,610	(2,005,849)
Balances at April 30, 2025	103,245,361	82,653,456	20,591,905

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

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

For the year ended April 30, 2025, the Village recognized pension expense of $2,868,053. At April 30, 2025, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	$ 5,330,660	(1,038,716)	4,291,944
Change in Assumptions	975,880	—	975,880
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	2,008,312	—	2,008,312
Total Deferred Amounts Related to Police Pension	8,314,852	(1,038,716)	7,276,136

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

Fiscal Year	Net Deferred Outflows of Resources
2026	$ 3,849,451
2027	1,410,610
2028	297,989
2029	655,492
2030	970,302
Thereafter	92,292
Total	7,276,136

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Firefighters' Pension Plan

Plan Descriptions

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

Plan Membership. At April 30, 2025, the measurement date, membership consisted of the following:

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

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

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

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Firefighters' Pension Plan - Continued

Plan Descriptions - Continued

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

Contributions. Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended April 30, 2025, the Village's contribution was 32.90% of covered payroll.

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

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Firefighters' Pension Plan - Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of April 30, 2025, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.00%
Salary Increases	4.25% - 7.50%
Cost of Living Adjustments	2.50%
Inflation	2.50%

Mortality rates were based on the PubS-2010(A) employee mortality, improved fully generationally using Scale MP-2021 improvement rates.

Discount Rate

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

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Firefighters' Pension Plan - Continued

Discount Rate Sensitivity

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability	$ 25,944,729	14,362,785	4,906,987

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2024	$ 72,788,525	58,402,394	14,386,131
Changes for the Year:			
Service Cost	1,675,361	—	1,675,361
Interest on the Total Pension Liability	4,995,155	—	4,995,155
Changes of Benefit Terms		—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	89,673	—	89,673
Changes of Assumptions	2,349,412	—	2,349,412
Contributions - Employer	—	2,313,144	(2,313,144)
Contributions - Employees	—	663,191	(663,191)
Contributions - Buy Backs	—	91,771	(91,771)
Net Investment Income	—	6,131,177	(6,131,177)
Benefit Payments, Including Refunds of Employee Contributions	(2,948,050)	(2,948,050)	—
Administrative Expenses	—	(66,336)	66,336
Net Changes	6,161,551	6,184,897	(23,346)
Balances at April 30, 2025	78,950,076	64,587,291	14,362,785

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Firefighters' Pension Plan - Continued

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

For the year ended April 30, 2025, the Village recognized pension expense of $1,775,528. At April 30, 2025, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	$ 2,855,549	(2,157,257)	698,292
Change in Assumptions	2,320,849	(12,377)	2,308,472
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	—	(74,124)	(74,124)
Total Deferred Amounts Related to Firefighters' Pension	5,176,398	(2,243,758)	2,932,640

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

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2026	$ 1,497,320
2027	158,890
2028	(321,646)
2029	17,860
2030	509,302
Thereafter	1,070,914
Total	2,932,640

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

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

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

Plan Membership. As of April 30, 2025, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	28
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	224
Total	252

Total OPEB Liability

The Village's total OPEB liability was measured as of April 30, 2025, and was determined by an actuarial valuation as of April 30, 2024.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the April 30, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary Increases	3.00%
Discount Rate	5.24%
Healthcare Cost Trend Rates	Initial rate of 6.80%, decreasing per year to an ultimate rate of 5.00% for 2034 and later years
Retirees' Share of Benefit-Related Costs	100% of the projected health insurance premiums for retirees

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

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

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Change in the Total OPEB Liability

	Total OPEB Liability
Balance at April 30, 2024	$ 8,415,157
Changes for the Year:	
Service Cost	142,449
Interest on the Total OPEB Liability	331,978
Changes of Benefit Terms	—
Difference Between Expected and Actual Experience	1,740,427
Changes of Assumptions or Other Inputs	(12,843)
Benefit Payments	(516,907)
Net Changes	1,685,104
Balance at April 30, 2025	10,100,261

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

The following presents the total OPEB liability, calculated using a Single Discount Rate of 5.24%, while last year used 4.07%, as well as what the total OPEB liability would be if it were calculated using a Single Discount Rate that is one percentage point lower or one percentage point higher:

	1% Decrease (4.24%)	Current Discount Rate (5.24%)	1% Increase (6.24%)
Total OPEB Liability	$ 10,909,172	10,100,261	9,370,202

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

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

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

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	$ 9,208,459	10,100,261	11,122,153

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

For the year ended April 30, 2025, the Village recognized OPEB expense of $813,088. At April 30, 2025, the Village a reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	$ 4,776,966	—	4,776,966
Change in Assumptions	483,584	(1,737,154)	(1,253,570)
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	—	—	—
Total Deferred Amounts Related to OPEB	5,260,550	(1,737,154)	3,523,396

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

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

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

Fiscal Year	Net Deferred Outflows of Resources
2026	$ 338,661
2027	338,661
2028	316,287
2029	297,003
2030	165,545
Thereafter	2,067,239
Total	3,523,396

REQUIRED SUPPLEMENTARY INFORMATION

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

- Schedule Employer Contributions - Last Ten Fiscal Years
  - Illinois Municipal Retirement Fund
  - Police Pension Fund
  - Firefighters' Pension Fund

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

- Schedule of Investment Returns - Last Ten Fiscal Years
  - Police Pension Fund
  - Firefighters' Pension Fund

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

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

Notes to the Required Supplementary Information

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

Illinois Municipal Retirement Fund
Schedule of Employer Contributions - Last Ten Fiscal Years
April 30, 2025

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	$ 857,777	$ 876,079	$ 18,302	$ 7,275,459	12.04%
2017	926,009	926,009	—	7,485,933	12.37%
2018	979,458	979,458	—	8,233,291	11.90%
2019	952,141	952,141	—	8,345,478	11.41%
2020	966,249	966,249	—	8,783,458	11.00%
2021	972,712	972,712	—	8,232,780	11.82%
2022	990,516	990,516	—	8,883,526	11.15%
2023	860,821	860,821	—	9,337,085	9.22%
2024	758,341	758,341	—	9,579,544	7.92%
2025	733,160	733,160	—	9,929,285	7.38%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	19 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.75% to 13.75%, Including Inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Police Pension Fund
Schedule of Employer Contributions - Last Ten Fiscal Years
April 30, 2025

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	$ 1,590,485	$ 1,590,485	$ —	$ 5,700,543	27.90%
2017	1,945,216	1,945,216	—	5,519,742	35.24%
2018	2,137,886	2,137,886	—	5,699,134	37.51%
2019	2,167,602	2,207,368	39,766	6,174,268	35.75%
2020	2,273,714	2,273,714	—	6,739,445	33.74%
2021	2,398,379	2,398,379	—	6,947,391	34.52%
2022	2,554,119	2,554,119	—	6,274,265	40.71%
2023	2,024,393	2,630,742	606,349	6,802,179	38.67%
2024	1,503,838	2,709,668	1,205,830	7,834,108	34.59%
2025	1,941,746	2,763,862	822,116	8,088,717	34.17%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	18 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	4.00% - 7.25%
Investment Rate of Return	7.00%
Retirement Age	See the Notes to the Financial Statements
Mortality	Pub-2010 adjusted for plan status, demographics, and Illinois public pension data, as described

Firefighters' Pension Fund
Schedule of Employer Contributions - Last Ten Fiscal Years
April 30, 2025

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	$ 1,471,445	$ 1,471,445	$ —	$ 5,277,184	27.88%
2017	1,700,217	1,700,217	—	5,469,114	31.09%
2018	1,738,081	1,738,081	—	5,646,860	30.78%
2019	1,810,723	1,810,723	—	5,607,922	32.29%
2020	1,770,649	1,869,571	98,922	6,261,153	29.86%
2021	1,966,654	1,966,654	—	5,999,283	32.78%
2022	2,110,682	2,110,682	—	6,384,914	33.06%
2023	1,951,275	2,201,735	250,460	6,655,644	33.08%
2024	1,646,498	2,267,788	621,290	6,810,346	33.30%
2025	1,727,613	2,313,144	585,531	7,031,682	32.90%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	18 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	4.00% - 7.25%
Investment Rate of Return	7.00%
Retirement Age	See the Notes to the Financial Statements
Mortality	Pub-2010 adjusted for plan status, demographics, and Illinois public pension data, as described

Illinois Municipal Retirement Fund
Schedule of Changes in the Employer's Net Pension Liability/(Asset) - Last Ten Measurement Years
April 30, 2025

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

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2015 through 2018, 2020, and 2023. Changes in assumptions related to the demographics were made in 2017.

12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024
805,299	839,031	861,325	766,354	810,579	844,184	828,136
3,068,929	3,220,813	3,390,375	3,521,490	3,744,267	3,902,196	4,078,143
(7,480)	22,307	(402)	898,053	(7,324)	316,141	2,997,563
1,411,884	—	(439,381)	—	—	(2,459)	—
(1,892,684)	(1,686,386)	(1,822,659)	(2,089,240)	(2,181,197)	(2,590,782)	(2,659,586)
3,385,948	2,395,765	1,989,258	3,096,657	2,366,325	2,469,280	5,244,256
41,462,741	44,848,689	47,244,454	49,233,712	52,330,369	54,696,694	57,165,974
44,848,689	47,244,454	49,233,712	52,330,369	54,696,694	57,165,974	62,410,230
984,774	886,271	993,472	990,567	897,833	786,376	720,150
375,549	378,749	414,236	385,268	412,583	426,349	465,234
(1,811,225)	6,721,888	5,962,516	8,097,135	(6,703,321)	5,249,306	5,166,509
(1,892,684)	(1,686,386)	(1,822,659)	(2,089,240)	(2,181,197)	(2,590,782)	(2,659,586)
593,226	67,114	272,030	(22,551)	(103,728)	1,276,687	470,947
(1,750,360)	6,367,636	5,819,595	7,361,179	(7,677,830)	5,147,936	4,163,254
38,325,523	36,575,163	42,942,799	48,762,394	56,123,573	48,445,743	53,593,679
36,575,163	42,942,799	48,762,394	56,123,573	48,445,743	53,593,679	57,756,933
8,273,526	4,301,655	471,318	(3,793,204)	6,250,951	3,572,295	4,653,297
81.55%	90.89%	99.04%	107.25%	88.57%	93.75%	92.54%
8,345,542	8,416,635	8,328,889	8,561,513	9,161,560	9,474,416	9,784,638
99.14%	51.11%	5.66%	(44.31%)	68.23%	37.70%	47.56%

Police Pension Fund
Schedule of Changes in the Employer's Net Pension Liability - Last Ten Fiscal Years
April 30, 2025

	4/30/2016	4/30/2017	4/30/2018
Total Pension Liability			
Service Cost	$ 1,220,720	1,312,264	1,404,122
Interest	4,063,650	4,313,018	4,450,693
Changes in Benefit Terms	—	—	—
Differences Between Expected and Actual Experience	1,549,091	(738,623)	(77,726)
Change of Assumptions	(1,208,583)	(686,517)	—
Contributions - Buy Back	—	—	—
Benefit Payments, Including Refunds of Member Contributions	(1,972,701)	(2,152,303)	(2,314,376)
Administrative Expenses	—	—	—
Net Change in Total Pension Liability	3,652,177	2,047,839	3,462,713
Total Pension Liability - Beginning	59,038,499	62,690,676	64,738,515
Total Pension Liability - Ending	62,690,676	64,738,515	68,201,228
Plan Fiduciary Net Position			
Contributions - Employer	$ 1,590,485	1,945,216	2,137,886
Contributions - Members	611,781	569,755	592,606
Contributions - Buy Backs	—	205,015	927,071
Net Investment Income	279,678	2,709,646	5,056,281
Benefit Payments, Including Refunds of Member Contributions	(1,972,701)	(2,152,303)	(2,314,376)
Administrative Expenses	(77,550)	(46,677)	(52,281)
Net Change in Plan Fiduciary Net Position	431,693	3,230,652	6,347,187
Plan Net Position - Beginning	39,412,860	39,844,553	43,075,205
Plan Net Position - Ending	39,844,553	43,075,205	49,422,392
Employer's Net Pension Liability	$ 22,846,123	21,663,310	18,778,836
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.56%	66.54%	72.47%
Covered Payroll	$ 5,700,543	5,519,742	5,699,134
Employer's Net Pension Liability as a Percentage of Covered Payroll	400.77%	392.47%	329.50%

Changes of Assumptions. Changes of assumptions related to the mortality improvement scale were made in 2016, 2017, and 2019 through 2025. Changes in benefit terms also occurred in 2023.

4/30/2019	4/30/2020	4/30/2021	4/30/2022	4/30/2023	4/30/2024	4/30/2025
1,502,260	1,407,925	1,909,946	1,639,918	1,525,821	1,578,322	1,600,172
4,790,937	5,060,273	5,324,207	5,498,340	5,822,621	6,256,917	6,746,029
—	—	—	—	(59,666)	—	—
(1,341,416)	358,480	649,194	(2,206,240)	889,410	6,318,092	(222,125)
1,412,992	1,262,296	33,876	385,344	—	69,712	897,329
201,435	33,338	—	—	—	—	—
(2,523,091)	(2,725,349)	(2,919,165)	(3,526,686)	(3,914,768)	(4,055,868)	(4,587,644)
—	—	(49,035)	—	—	—	—
4,043,117	5,396,963	4,949,023	1,790,676	4,263,418	10,167,175	4,433,761
68,201,228	72,244,345	77,641,308	82,590,331	84,381,007	88,644,425	98,811,600
72,244,345	77,641,308	82,590,331	84,381,007	88,644,425	98,811,600	103,245,361
2,207,368	2,273,714	2,398,379	2,554,119	2,630,742	2,709,668	2,763,862
611,870	667,880	762,876	621,779	675,371	757,587	781,311
201,435	33,338	—	253,421	405,368	20,307	268,742
5,556,118	2,367,277	19,305,855	(5,867,816)	(807,422)	6,538,134	7,287,033
(2,523,091)	(2,725,349)	(2,919,165)	(3,526,686)	(3,914,768)	(4,055,868)	(4,587,644)
(65,970)	(67,580)	(56,629)	(74,520)	(91,010)	(65,278)	(73,694)
5,987,730	2,549,280	19,491,316	(6,039,703)	(1,101,719)	5,904,550	6,439,610
49,422,392	55,410,122	57,959,402	77,450,718	71,411,015	70,309,296	76,213,846
55,410,122	57,959,402	77,450,718	71,411,015	70,309,296	76,213,846	82,653,456
16,834,223	19,681,906	5,139,613	12,969,992	18,335,129	22,597,754	20,591,905
76.70%	74.65%	93.78%	84.63%	79.32%	77.13%	80.06%
6,174,268	6,739,445	6,947,391	6,274,265	6,802,179	7,834,108	8,088,717
272.65%	292.04%	73.98%	206.72%	269.55%	288.45%	254.58%

Firefighters' Pension Fund
Schedule of Changes in the Employer's Net Pension Liability - Last Ten Fiscal Years
April 30, 2025

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

Changes of Assumptions. Changes of assumptions related to the mortality improvement scale were made in 2016, 2017, and 2019 through 2025. Changes in benefit terms also were made in 2017 and 2020.

4/30/2019	4/30/2020	4/30/2021	4/30/2022	4/30/2023	4/30/2024	4/30/2025
1,285,648	1,439,819	1,653,610	1,583,185	1,585,555	1,695,085	1,675,361
3,607,721	3,776,224	3,950,630	4,005,987	4,285,926	4,508,232	4,995,155
—	262,832	—	—	(109,672)	—	—
(1,602,537)	277,430	151,323	(3,098,016)	349,373	3,183,969	89,673
501,263	—	17,148	264,899	—	—	2,349,412
—	35,531	—	—	—	—	—
(1,447,986)	(1,630,160)	(1,933,779)	(2,002,354)	(2,290,371)	(2,455,931)	(2,948,050)
—	—	(39,275)	—	—	—	—
2,344,109	4,161,676	3,799,657	753,701	3,820,811	6,931,355	6,161,551
50,977,216	53,321,325	57,483,001	61,282,658	62,036,359	65,857,170	72,788,525
53,321,325	57,483,001	61,282,658	62,036,359	65,857,170	72,788,525	78,950,076
1,810,723	1,869,571	1,966,654	2,110,682	2,201,735	2,267,788	2,313,144
530,229	591,991	621,923	609,262	635,280	650,927	663,191
—	35,531	—	—	—	31,671	91,771
2,572,189	725,605	11,566,930	(3,228,120)	432,068	5,560,274	6,131,177
(1,447,986)	(1,630,160)	(1,933,779)	(2,002,354)	(2,290,371)	(2,455,931)	(2,948,050)
(41,103)	(38,699)	(39,455)	(43,502)	(54,686)	(88,282)	(66,336)
3,424,052	1,553,839	12,182,273	(2,554,032)	924,026	5,966,447	6,184,897
36,905,789	40,329,841	41,883,680	54,065,953	51,511,921	52,435,947	58,402,394
40,329,841	41,883,680	54,065,953	51,511,921	52,435,947	58,402,394	64,587,291
12,991,484	15,599,321	7,216,705	10,524,438	13,421,223	14,386,131	14,362,785
75.64%	72.86%	88.22%	83.04%	79.62%	80.24%	81.81%
5,607,922	6,261,153	5,999,283	6,384,914	6,655,644	6,810,346	7,031,682
231.66%	249.14%	120.29%	164.83%	201.65%	211.24%	204.26%

Police Pension Fund
Schedule of Investment Returns - Last Ten Fiscal Years
April 30, 2025

Fiscal Year	Annual Money-Weighted Rate of Return, Net of Investment Expense
2016	1.00%
2017	6.60%
2018	11.97%
2019	11.64%
2020	4.50%
2021	2.55%
2022	(7.18%)
2023	(12.67%)
2024	9.45%
2025	8.81%

Firefighters' Pension Fund
Schedule of Investment Returns - Last Ten Fiscal Years
April 30, 2025

Fiscal Year	Annual Money-Weighted Rate of Return, Net of Investment Expense
2016	1.00%
2017	6.60%
2018	7.67%
2019	6.92%
2020	1.79%
2021	27.60%
2022	1.40%
2023	0.68%
2024	10.57%
2025	10.53%

Retiree Benefit Plan
Schedule of Changes in the Employer's Total OPEB Liability
April 30, 2025

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

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

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

Changes of Assumptions. Changes of assumptions related to the discount rate were made in 2019 through 2025.

4/30/2020	4/30/2021	4/30/2022	4/30/2023	4/30/2024	4/30/2025
115,842	130,314	195,661	138,601	176,590	142,449
178,243	165,258	129,405	237,142	258,800	331,978
—	348,452	—	350,779	3,171,107	1,740,427
173,559	834,718	(1,073,580)	14,268	(1,294,473)	(12,843)
(227,447)	(245,074)	(297,140)	(319,426)	(296,154)	(516,907)
240,197	1,233,668	(1,045,654)	421,364	2,015,870	1,685,104
5,549,712	5,789,909	7,023,577	5,977,923	6,399,287	8,415,157
5,789,909	7,023,577	5,977,923	6,399,287	8,415,157	10,100,261
16,051,612	15,909,920	16,684,733	18,463,312	22,906,242	25,311,362
36.07%	44.15%	35.83%	34.66%	36.74%	39.90%

General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2025

	Budget Original	Budget Final	Actual
Revenues			
Taxes	$ 10,965,000	10,965,000	11,890,963
Intergovernmental	30,913,757	30,913,757	32,816,250
Charges for Services	11,316,311	11,316,311	11,554,443
Licenses and Permits	1,200,000	1,200,000	1,183,884
Fines and Forfeitures	1,295,500	1,295,500	1,032,583
Investment Income	1,355,000	1,355,000	1,880,424
Miscellaneous	260,000	260,000	512,403
Total Revenues	57,305,568	57,305,568	60,870,950
Expenditures			
General Government	15,512,036	15,512,036	15,563,094
Public Safety	36,373,995	36,373,995	34,043,832
Highways and Streets	3,860,667	3,860,667	3,338,183
Capital Outlay	1,518,870	1,518,870	1,392,429
Debt Service			
Principal Retirement	—	—	109,566
Interest and Fiscal Charges	—	—	6,628
Total Expenditures	57,265,568	57,265,568	54,453,732
Excess (Deficiency) of Revenues Over (Under) Expenditures	40,000	40,000	6,417,218
Other Financing (Uses)			
Transfers Out	—	—	(4,000,000)
Net Change in Fund Balance	40,000	40,000	2,417,218
Fund Balance - Beginning			33,359,607
Fund Balance - Ending			35,776,825

Motor Fuel Tax - Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2025

	Budget		
	Original	Final	Actual
Revenues			
Intergovernmental			
Motor Fuel Tax Allotments	$ 1,320,358	1,320,358	1,392,178
Investment Income	50,000	50,000	39,893
Total Revenues	1,370,358	1,370,358	1,432,071
Expenditures			
Highways and Streets			
Repairs and Maintenance	1,350,000	1,350,000	1,350,000
Net Change in Fund Balance	20,358	20,358	82,071
Fund Balance - Beginning			953,326
Fund Balance - Ending			1,035,397

OTHER SUPPLEMENTARY INFORMATION

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

Such statements and schedules include:

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

INDIVIDUAL FUND DESCRIPTIONS

GENERAL FUND

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

SPECIAL REVENUE FUNDS

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

Motor Fuel Tax Fund

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

911 Fund

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

Impact Fund

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

Asset Forfeiture Fund

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

CAPITAL PROJECTS FUNDS

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

Capital Improvement Fund

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

Fleet Services Fund

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

ENTERPRISE FUNDS

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

Golf Course Fund

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

Water and Sewer Fund

The Water and Sewer Fund is used to account for the provision of potable water and wastewater treatment services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations and maintenance, financing and related debt service, billing and collection.

TRUST AND CUSTODIAL FUNDS

PENSION TRUST FUNDS

Police Pension Fund

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

Firefighters' Pension Fund

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

CUSTODIAL FUND

NE Lake County Consolidated ETSB Fund

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

VILLAGE OF GURNEE, ILLINOIS

General Fund - by Account
Combining Balance Sheet
April 30, 2025

	General Account	Health Insurance Account	Economic Development	Eliminations	Totals
ASSETS					
Cash and Investments	$ 31,035,213	19,860	2,062,645	—	33,117,718
Receivables - Net of Allowances					
Taxes	8,283,315	—	—	—	8,283,315
Other	509,677	—	—	—	509,677
Due from Other Funds	1,375,000	—	—	(1,375,000)	—
Inventories	290,336	—	—	—	290,336
Prepaids	928,936	—	—	—	928,936
Total Assets	42,422,477	19,860	2,062,645	(1,375,000)	43,129,982
LIABILITIES					
Accounts Payable	437,502	485,200	1,004,743	—	1,927,445
Accrued Payroll	975,295	—	—	—	975,295
Due to Other Funds	—	1,375,000	—	(1,375,000)	—
Medical Claims Payable	252,179	—	—	—	252,179
Deposits Payable	88,597	—	—	—	88,597
Other Payable	3,346,629	—	—	—	3,346,629
Total Liabilities	5,100,202	1,860,200	1,004,743	(1,375,000)	6,590,145
DEFERRED INFLOWS OF RESOURCES					
Property Taxes	763,012	—	—	—	763,012
Total Liabilities and Deferred Inflows of Resources	5,863,214	1,860,200	1,004,743	(1,375,000)	7,353,157
FUND BALANCES					
Nonspendable	1,219,272	—	—	—	1,219,272
Restricted	—	—	1,057,902	—	1,057,902
Unassigned	35,339,991	(1,840,340)	—	—	33,499,651
Total Fund Balances	36,559,263	(1,840,340)	1,057,902	—	35,776,825
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	42,422,477	19,860	2,062,645	(1,375,000)	43,129,982

General Fund - by Account
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended April 30, 2025

	General Account	Health Insurance Account	Economic Development	Eliminations	Totals
Revenues					
Taxes	$ 11,890,963	—	—	—	11,890,963
Intergovernmental	32,816,250	—	—	—	32,816,250
Charge for Services	5,721,134	5,833,309	—	—	11,554,443
Licenses and Permits	1,183,884	—	—	—	1,183,884
Fines and Forfeitures	1,032,583	—	—	—	1,032,583
Investment Income	1,880,424	—	—	—	1,880,424
Miscellaneous	512,403	—	—	—	512,403
Total Revenues	55,037,641	5,833,309	—	—	60,870,950
Expenditures					
General Government	6,201,212	7,049,784	2,312,098	—	15,563,094
Public Safety	34,043,832	—	—	—	34,043,832
Highways and Streets	3,338,183	—	—	—	3,338,183
Capital Outlay	1,392,429	—	—	—	1,392,429
Debt Service					
Principal Retirement	109,566	—	—	—	109,566
Interest and Fiscal Charges	6,628	—	—	—	6,628
Total Expenditures	45,091,850	7,049,784	2,312,098	—	54,453,732
Excess (Deficiency) of Revenues Over (Under) Expenditures	9,945,791	(1,216,475)	(2,312,098)	—	6,417,218
Other Financing Sources (Uses)					
Transfers In	—	—	3,370,000	(3,370,000)	—
Transfers Out	(7,370,000)	—	—	3,370,000	(4,000,000)
	(7,370,000)	—	3,370,000	—	(4,000,000)
Net Change in Fund Balance	2,575,791	(1,216,475)	1,057,902	—	2,417,218
Fund Balance - Beginning	33,983,472	(623,865)	—	—	33,359,607
Fund Balances - Ending	36,559,263	(1,840,340)	1,057,902	—	35,776,825

General Account - General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2025

	Budget		
	Original	Final	Actual
Revenues			
Taxes	$ 10,965,000	10,965,000	11,890,963
Intergovernmental	30,913,757	30,913,757	32,816,250
Charges for Services	5,565,411	5,565,411	5,721,134
Licenses and Permits	1,200,000	1,200,000	1,183,884
Fines and Forfeitures	1,295,500	1,295,500	1,032,583
Investment Income	1,355,000	1,355,000	1,880,424
Miscellaneous	260,000	260,000	512,403
Total Revenues	51,554,668	51,554,668	55,037,641
Expenditures			
General Government	6,431,136	6,431,136	6,201,212
Public Safety	36,373,995	36,373,995	34,043,832
Highways and Streets	3,860,667	3,860,667	3,338,183
Capital Outlay	1,518,870	1,518,870	1,392,429
Debt Service			
Principal Retirement	—	—	109,566
Interest and Fiscal Charges	—	—	6,628
Total Expenditures	48,184,668	48,184,668	45,091,850
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,370,000	3,370,000	9,945,791
Other Financing (Uses)			
Transfers Out	(3,370,000)	(3,370,000)	(7,370,000)
Net Change in Fund Balance	—	—	2,575,791
Fund Balance - Beginning			33,983,472
Fund Balance - Ending			36,559,263

Health Insurance Account - General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2025

	Budget		
	Original	Final	Actual
Revenues			
Charges for Services	$ 5,750,900	5,750,900	5,833,309
Expenditures			
General Government			
Administration			
Employee Benefits	5,700,900	5,700,900	7,049,784
Contractual Services	10,000	10,000	—
Total Expenditures	5,710,900	5,710,900	7,049,784
Net Change in Fund Balance	40,000	40,000	(1,216,475)
Fund Balance - Beginning			(623,865)
Fund Balance - Ending			(1,840,340)

Economic Development - General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2025

	Budget		
	Original	Final	Actual
Revenues			
None	$ —	—	—
Expenditures			
General Government			
Administration			
Contractual Services	3,370,000	3,370,000	2,312,098
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(3,370,000)	(3,370,000)	(2,312,098)
Other Financing Sources			
Transfers In	3,370,000	3,370,000	3,370,000
Net Change in Fund Balance	—	—	1,057,902
Fund Balance - Beginning			—
Fund Balance - Ending			1,057,902

General Account - General Fund
Schedule of Revenues - Budget and Actual
For the Fiscal Year Ended April 30, 2025

	Budget		
	Original	Final	Actual
Taxes			
Road and Bridge Taxes	$ 500,000	500,000	764,757
Amusement Taxes	3,700,000	3,700,000	4,270,626
Hotel Taxes	2,400,000	2,400,000	2,387,702
Resort Tax	525,000	525,000	514,866
Food and Beverage Taxes	2,650,000	2,650,000	2,896,131
Telecommunications Taxes	425,000	425,000	463,657
Cable TV Franchise Taxes	500,000	500,000	389,049
Alarm Franchise Taxes	165,000	165,000	93,923
Foreign Fire Insurance Taxes	100,000	100,000	110,252
	10,965,000	10,965,000	11,890,963
Intergovernmental			
Sales Taxes	20,300,000	20,300,000	22,481,991
Local Use Taxes	1,281,000	1,281,000	872,765
State Income Tax	5,220,020	5,220,020	5,475,989
Replacement Tax	371,290	371,290	193,525
Cannabis Tax	47,902	47,902	48,252
IL Gaming Tax	1,500	1,500	883
Police Vest Grant	5,100	5,100	5,622
Tobacco Grant	2,500	2,500	4,579
Seat Belt Enforcement	23,000	23,000	66,051
K-9 Program Grant	2,000	2,000	—
Retail Crime Grant	75,000.00	75,000	38,300
Warren Fire District	3,582,495	3,582,495	3,628,293
NSSD Information	1,950	1,950	—
	30,913,757	30,913,757	32,816,250
Charges for Services			
School Resource Officer	508,255	508,255	489,412
Off Duty Police Service	499,667	499,667	655,668
Fire Dept Charges	2,500	2,500	60
Non Resident Rescue Fees	550,000	550,000	594,995
Resident Rescue Fees	900,000	900,000	1,010,511
Recycling Revenues	2,500	2,500	6,737
Dispatch Services	1,084,249	1,084,249	1,083,260
Elevator Inspections	9,000	9,000	7,380
Engineering Fees	—	—	21,895

VILLAGE OF GURNEE, ILLINOIS

General Account - General Fund
Schedule of Revenues - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2025

	Budget Original	Budget Final	Actual
Charges for Services - Continued			
Maps	$ 50	50	25
Ordinances	500	500	150
Miscellaneous Other Charges	50,050	50,050	63,950
Public Works Charges	30,000	30,000	14,292
Newport Fire Phone	49,100	49,100	49,100
Police Charges	8,500	8,500	7,495
GEMT Ambulance Program	800,000	800,000	757,346
Fire Cost Recovery	150,000	150,000	105,986
Tower/Antennae Lease	65,000	65,000	—
Parkway Tree Program	2,000	2,000	1,400
Reimbursable Charges	20,000	20,000	14,652
Water and Sewer Charges	811,940	811,940	811,940
Pace Ad Revenue Share	2,100	2,100	—
Tollway Fire Service	20,000	20,000	24,880
	5,565,411	5,565,411	5,721,134
Licenses and Permits			
Liquor Licenses	125,000	125,000	142,500
Business Licenses	275,000	275,000	318,137
General Building Permits	800,000	800,000	680,706
Burning Permits	—	—	400
Fire Impact	—	—	150
Police & Public Works	—	—	200
Traffic	—	—	41,791
	1,200,000	1,200,000	1,183,884
Fines and Forfeitures			
Court Fines	300,000	300,000	279,301
DUI Fines	12,000	12,000	57,512
Prison Review Agency	1,000	1,000	—
Parking Fines	22,000	22,000	80,975
Collection Revenue	20,000	20,000	20,868
Alarm Fines	4,000	4,000	5,190
Liquor License Violations	500	500	2,250
Tax Penalties - Local Imposed	5,000	5,000	23,884
Impoundment Fine	180,000	180,000	177,000
Red Light Enforcement	710,000	710,000	354,229
Code Enforcement Violation	41,000	41,000	31,374
	1,295,500	1,295,500	1,032,583

General Account - General Fund
Schedule of Revenues - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2025

	Budget Original	Budget Final	Actual
Investment Income	$ 1,355,000	1,355,000	1,880,424
Miscellaneous			
Workers' Compensation Reimbursements	100,000	100,000	230,487
Fire Dept Donations	5,000	5,000	5,150
Damage to Village Property	100,000	100,000	43,656
Training Reimbursement	50,000	50,000	7,898
Police - Miscellaneous Contributions	5,000	5,000	5,000
MICA Revenue	—	—	220,212
	260,000	260,000	512,403
Total Revenues	51,554,668	51,554,668	55,037,641

General Account - General Fund
Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended April 30, 2025

	Budget		
	Original	Final	Actual
General Government			
Administration			
Salaries and Wages	$ 1,427,110	1,427,110	1,462,780
Employee Benefits	415,319	415,319	548,265
Personnel Expenditures	6,300	6,300	9,455
Professional Services	189,594	189,594	169,099
Contractual Services	334,915	334,915	437,952
Insurance	18,562	18,562	16,962
Commodities	10,400	10,400	7,981
Utilities	4,750	4,750	4,767
Repairs and Maintenance	48,445	48,445	15,878
Miscellaneous	3,500	3,500	1,000
	2,458,895	2,458,895	2,674,139
Information Systems			
Salaries and Wages	774,100	774,100	658,746
Employee Benefits	287,478	287,478	268,392
Personnel Expenditures	6,300	6,300	5,348
Professional Services	35,000	35,000	5,400
Contractual Services	107,200	107,200	94,890
Insurance	1,195	1,195	1,194
Commodities	1,700	1,700	1,028
Utilities	5,000	5,000	3,961
Repairs and Maintenance	28,170	28,170	26,526
	1,246,143	1,246,143	1,065,485
Cable Television			
Professional Services	35,500	35,500	26,500
Contractual Services	122,065	122,065	96,374
Commodities	50	50	—
	157,615	157,615	122,874
Building Maintenance			
Contractual Services	35,950	35,950	33,947
Insurance	6,391	6,391	6,384
Commodities	10,300	10,300	4,442
Repairs and Maintenance	35,000	35,000	34,444
	87,641	87,641	79,217

General Account - General Fund
Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2025

	Budget Original	Budget Final	Actual
General Government - Continued			
Planning			
Salaries and Wages	$ 934,340	934,340	886,978
Employee Benefits	437,231	437,231	389,276
Personnel Expenditures	5,800	5,800	4,777
Professional Services	47,500	47,500	43,991
Contractual Services	26,780	26,780	32,206
Insurance	7,515	7,515	7,506
Commodities	6,400	6,400	2,531
Utilities	5,100	5,100	4,372
Repairs and Maintenance	36,325	36,325	34,140
	1,506,991	1,506,991	1,405,777
Engineering			
Salaries and Wages	635,340	635,340	554,378
Employee Benefits	251,601	251,601	229,720
Personnel Expenditures	10,175	10,175	6,589
Professional Services	5,000	5,000	—
Contractual Services	30,530	30,530	27,315
Insurance	7,515	7,515	7,506
Commodities	5,150	5,150	2,728
Utilities	6,200	6,200	5,699
Repairs and Maintenance	22,340	22,340	19,785
	973,851	973,851	853,720
Total General Government	6,431,136	6,431,136	6,201,212
Public Safety			
Police			
Salaries and Wages	11,626,492	11,626,492	10,526,784
Employee Benefits	5,519,694	5,519,694	5,388,822
Personnel Expenditures	217,865	217,865	125,245
Professional Services	124,200	124,200	122,569
Contractual Services	1,091,154	1,091,154	741,457

General Account - General Fund
Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2025

	Budget Original	Budget Final	Actual
Public Safety - Continued			
Police - Continued			
Insurance	$ 162,029	162,029	176,734
Commodities	111,000	111,000	85,944
Utilities	64,660	64,660	49,693
Repairs and Maintenance	298,520	298,520	228,356
	19,215,614	19,215,614	17,445,604
Fire			
Salaries and Wages	8,609,550	8,609,550	8,322,768
Employee Benefits	4,342,092	4,342,092	4,339,954
Personnel Expenditures	70,925	70,925	45,036
Professional Services	68,000	68,000	94,504
Contractual Services	187,658	187,658	207,837
Insurance	59,028	59,028	53,966
Commodities	122,000	122,000	105,837
Utilities	16,500	16,500	14,317
Repairs and Maintenance	202,905	202,905	153,589
	13,678,658	13,678,658	13,337,808
Communications			
Salaries and Wages	2,514,220	2,514,220	2,364,011
Employee Benefits	862,522	862,522	833,077
Personnel Expenditures	32,131	32,131	15,048
Professional Services	12,000	12,000	281
Contractual Services	26,570	26,570	25,446
Insurance	9,805	9,805	9,794
Commodities	5,000	5,000	1,331
Utilities	2,460	2,460	1,574
Repairs and Maintenance	15,015	15,015	9,858
	3,479,723	3,479,723	3,260,420
Total Public Safety	36,373,995	36,373,995	34,043,832

General Account - General Fund
Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2025

	Budget Original	Budget Final	Actual
Highways and Streets			
Street Maintenance			
Salaries and Wages	$ 1,607,900	1,607,900	1,458,722
Employee Benefits	878,231	878,231	833,722
Personnel Expenditures	10,350	10,350	8,649
Professional Services	1,500	1,500	2,082
Contractual Services	535,220	535,220	361,244
Insurance	63,256	63,256	60,977
Commodities	420,800	420,800	369,495
Utilities	19,700	19,700	19,571
Repairs and Maintenance	273,710	273,710	200,994
	3,810,667	3,810,667	3,315,456
Vehicle Maintenance			
Contractual Services	50,000	50,000	22,727
Total Highway and Streets	3,860,667	3,860,667	3,338,183
Capital Outlay	1,518,870	1,518,870	1,392,429
Debt Service			
Principal Retirement	—	—	109,566
Interest and Fiscal Charges	—	—	6,628
	—	—	116,194
Total Expenditures	48,184,668	48,184,668	45,091,850

Capital Improvement - Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2025

	Budget		
	Original	Final	Actual
Revenues			
Taxes			
Home Rule Sales	$ 5,400,000	5,400,000	5,834,482
Intergovernmental	—	—	226,587
Investment Income	250,000	250,000	378,100
Miscellaneous	—	—	82,398
Total Revenues	5,650,000	5,650,000	6,521,567
Expenditures			
Capital Outlay	10,375,950	10,375,950	9,581,845
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,725,950)	(4,725,950)	(3,060,278)
Other Financing Sources			
Transfers In	126,928	126,928	2,876,928
Net Change in Fund Balance	(4,599,022)	(4,599,022)	(183,350)
Fund Balance - Beginning			9,887,495
Fund Balance - Ending			9,704,145

VILLAGE OF GURNEE, ILLINOIS

Nonmajor Governmental Funds
Combining Balance Sheet
April 30, 2025

	Special Revenue			Capital Projects	
	911	Impact	Asset Forfeiture	Fleet Services	Totals
ASSETS					
Cash and Investments	$ 1,213,543	—	282,296	1,498,545	2,994,384
Receivables - Net of Allowances					
Accounts	338,219	—	6,120	81,486	425,825
Prepaids	—	—	—	30,872	30,872
Inventories	—	—	—	186,738	186,738
Total Assets	1,551,762	—	288,416	1,797,641	3,637,819
LIABILITIES					
Accounts Payable	111	—	—	—	111
Accrued Payroll	—	—	—	12,802	12,802
Total Liabilities	111	—	—	12,802	12,913
FUND BALANCES					
Fund Balances					
Nonspendable	—	—	—	217,610	217,610
Restricted	1,551,651	—	288,416	—	1,840,067
Committed	—	—	—	1,567,229	1,567,229
Total Fund Balances	1,551,651	—	288,416	1,784,839	3,624,906
Total Liabilities and Fund Balances	1,551,762	—	288,416	1,797,641	3,637,819

Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended April 30, 2025

	Special Revenue			Capital Projects	
	911	Impact	Asset Forfeiture	Fleet Services	Totals
Revenues					
Charges for Services	$ 2,598,056	—	—	3,064,614	5,662,670
Fines and Forfeitures	—	—	68,927	—	68,927
Investment Income	—	—	6,908	—	6,908
Miscellaneous	—	—	—	8,156	8,156
Total Revenues	2,598,056	—	75,835	3,072,770	5,746,661
Expenditures					
Public Safety	—	—	3,433	—	3,433
Highways and Streets	—	—	—	1,721,582	1,721,582
Capital Outlay	1,050,346	—	—	1,276,141	2,326,487
Debt Service					
Principal Retirement	—	—	38,679	—	38,679
Interest and Fiscal Charges	—	—	4,822	—	4,822
Total Expenditures	1,050,346	—	46,934	2,997,723	4,095,003
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,547,710	—	28,901	75,047	1,651,658
Other Financing (Uses)					
Transfers Out	—	(126,928)	—	—	(126,928)
Net Change in Fund Balances	1,547,710	(126,928)	28,901	75,047	1,524,730
Fund Balances - Beginning	3,941	126,928	259,515	1,709,792	2,100,176
Fund Balances - Ending	1,551,651	—	288,416	1,784,839	3,624,906

911 - Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2025

	Budget		
	Original	Final	Actual
Revenues			
Charges for Services	$ 1,358,865	1,358,865	2,598,056
Expenditures			
Capital Outlay	1,358,865	1,358,865	1,050,346
Net Change in Fund Balance	—	—	1,547,710
Fund Balance - Beginning			3,941
Fund Balance - Ending			1,551,651

Impact - Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2025

	Budget Original	Budget Final	Actual
Revenues			
Miscellaneous	$ —	—	—
Expenditures			
None	—	—	—
Excess (Deficiency) of Revenues Over (Under) Expenditures	—	—	—
Other Financing (Uses)			
Transfers Out	(126,928)	(126,928)	(126,928)
Net Change in Fund Balance	(126,928)	(126,928)	(126,928)
Fund Balance - Beginning			126,928
Fund Balance - Ending			—

Asset Forfeiture - Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2025

	Budget		
	Original	Final	Actual
Revenues			
Fines and Forfeitures			
DARE Forfeited Funds	$ —	—	2,116
Seizures	176,000	176,000	66,811
Investment Income	5,000	5,000	6,908
Total Revenues	181,000	181,000	75,835
Expenditures			
Public Safety			
Supplies and Materials	7,500	7,500	—
Charges and Services	125,000	125,000	3,433
Capital Outlay	86,000	86,000	—
Debt Service			
Principal Retirement	—	—	38,679
Interest and Fiscal Charges	—	—	4,822
Total Expenditures	218,500	218,500	46,934
Net Change in Fund Balance	(37,500)	(37,500)	28,901
Fund Balance - Beginning			259,515
Fund Balance - Ending			288,416

Fleet Services - Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2025

	Budget		
	Original	Final	Actual
Revenues			
Charges for Services	$ 3,032,100	3,032,100	3,064,614
Miscellaneous			
MICA Revenue	—	—	8,156
Total Revenues	3,032,100	3,032,100	3,072,770
Expenditures			
Highways and Streets			
Street Maintenance			
Salaries and Wages	413,590	413,590	370,342
Employee Benefits	158,802	158,802	148,268
Personnel Expenditures	5,400	5,400	4,669
Professional Services	5,455	5,455	5,641
Contractual Services	11,380	11,380	7,240
Insurance	33,325	33,325	33,335
Commodities	824,305	824,305	873,726
Repairs and Maintenance	311,155	311,155	278,361
Capital Outlay	1,417,000	1,417,000	1,276,141
Total Expenditures	3,180,412	3,180,412	2,997,723
Net Change in Fund Balance	(148,312)	(148,312)	75,047
Fund Balance - Beginning			1,709,792
Fund Balance - Ending			1,784,839

Golf Course - Enterprise Fund
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2025

	Budget		
	Original	Final	Actual
Operating Revenues			
None	$ —	—	—
Operating Expenses			
Operations			
Capital Outlay	65,000	65,000	—
Depreciation	—	—	21,142
Total Operating Expenses	65,000	65,000	21,142
Operating (Loss)	(65,000)	(65,000)	(21,142)
Nonoperating Revenues			
Investment Income	76,000	76,000	83,068
Income (Loss) Before Transfers	87,000	87,000	61,926
Transfers In	—	—	1,000,000
Change in Net Position	11,000	11,000	1,061,926
Net Position - Beginning			5,066,275
Net Position - Ending			6,128,201

Water and Sewer - Enterprise Fund
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2025

	Budget		
	Original	Final	Actual
Operating Revenues			
Charges for Services			
Metered Water	$ 10,138,000	10,138,000	11,152,058
Operating Expenses			
Operations			
Salaries and Benefits	2,118,845	2,118,845	1,883,718
Professional Services	18,700	18,700	2,036
Contractual	1,364,185	1,364,185	1,551,330
Insurance	65,676	65,676	58,090
Commodities	2,442,585	2,442,585	2,497,595
Utilities	240,300	240,300	289,682
Repairs and Maintenance	585,569	585,569	307,215
Capital Outlay	157,770	157,770	—
Capital			
Professional Services	4,757,225	4,757,225	511,239
Depreciation and Amortization	—	—	1,934,224
Total Operating Expenses	11,750,855	11,750,855	9,035,129
Operating Income (Loss)	(1,612,855)	(1,612,855)	2,116,929
Nonoperating Revenues (Expenses)			
Investment Income	150,000	150,000	231,276
Other Income	—	—	43,499
Principal Retirement	(479,583)	(479,583)	—
Interest Expense	(84,666)	(84,666)	(64,875)
	(414,249)	(414,249)	209,900
Income (Loss) Before Transfers	(2,027,104)	(2,027,104)	2,326,829
Transfers In	—	—	250,000
Change in Net Position	(2,027,104)	(2,027,104)	2,576,829
Net Position - Beginning			67,192,615
Net Position - Ending			69,769,444

Pension Trust Funds
Combining Statement of Fiduciary Net Position
April 30, 2025

	Police Pension	Firefighters' Pension	Totals
ASSETS			
Cash and Cash Equivalents	$ 1,065,476	266,093	1,331,569
Investments			
Illinois Police Officers Pension Investment Fund	81,583,495	—	81,583,495
Illinois Firefighters' Pension Consolidated Investment Fund	—	64,318,947	64,318,947
Prepaids	5,735	4,266	10,001
Total Assets	82,654,706	64,589,306	147,244,012
LIABILITIES			
Accounts Payable	1,250	2,015	3,265
NET POSITION			
Net Position Restricted for Pensions	82,653,456	64,587,291	147,240,747

Pension Trust Funds
Combining Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended April 30, 2025

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions - Employer	$ 2,763,862	2,313,144	5,077,006
Contributions - Plan Members	781,311	663,191	1,444,502
Contributions - Other	268,742	91,771	360,513
Total Contributions	3,813,915	3,068,106	6,882,021
Investment Income			
Interest Earned	462,795	5,001,890	5,464,685
Net Change in Fair Value	6,876,460	1,237,523	8,113,983
	7,339,255	6,239,413	13,578,668
Less Investment Expenses	(52,222)	(108,236)	(160,458)
Net Investment Income	7,287,033	6,131,177	13,418,210
Total Additions	11,100,948	9,199,283	20,300,231
Deductions			
Administration	73,694	66,336	140,030
Benefits and Refunds	4,587,644	2,948,050	7,535,694
Total Deductions	4,661,338	3,014,386	7,675,724
Change in Fiduciary Net Position	6,439,610	6,184,897	12,624,507
Net Position Restricted for Pensions			
Beginning	76,213,846	58,402,394	134,616,240
Ending	82,653,456	64,587,291	147,240,747

Police Pension - Pension Trust Fund
Schedule of Changes in Fiduciary Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2025

	Budget		
	Original	Final	Actual
Additions			
Contributions - Employer	$ —	—	2,763,862
Contributions - Plan Members	—	—	781,311
Contributions - Other	—	—	268,742
Total Contributions	—	—	3,813,915
Investment Income			
Interest Income	8,413,862	8,413,862	462,795
Net Change in Fair Value	—	—	6,876,460
	8,413,862	8,413,862	7,339,255
Less Investment Expenses	—	—	(52,222)
Net Investment Income	8,413,862	8,413,862	7,287,033
Total Additions	8,413,862	8,413,862	11,100,948
Deductions			
Administration	—	—	73,694
Benefits and Refunds	4,822,000	4,822,000	4,587,644
Total Deductions	4,822,000	4,822,000	4,661,338
Change in Fiduciary Net Position	3,591,862	3,591,862	6,439,610
Net Position Restricted for Pensions			
Beginning			76,213,846
Ending			82,653,456

Firefighters' Pension - Pension Trust Fund
Schedule of Changes in the Fiduciary Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2025

	Budget		
	Original	Final	Actual
Additions			
Contributions - Employer	$ —	—	2,313,144
Contributions - Plan Members	—	—	663,191
Contributions - Buy Backs	—	—	91,771
Total Contributions	—	—	3,068,106
Investment Income			
Interest Earned	6,838,144	6,838,144	5,001,890
Net Change in Fair Value	—	—	1,237,523
	6,838,144	6,838,144	6,239,413
Less Investment Expenses	—	—	(108,236)
Net Investment Income	6,838,144	6,838,144	6,131,177
Total Additions	6,838,144	6,838,144	9,199,283
Deductions			
Administration	—	—	66,336
Benefits and Refunds	3,412,500	3,412,500	2,948,050
Total Deductions	3,412,500	3,412,500	3,014,386
Change in Fiduciary Net Position	3,425,644	3,425,644	6,184,897
Net Position Restricted for Pensions			
Beginning			58,402,394
Ending			64,587,291

NE Lake County Consolidated ETSB - Custodial Fund
Schedule of Changes in the Fiduciary Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2025

	Budget Original	Budget Final	Actual
Additions			
Charges for Services			
911 Surcharge	$ 1,000,000	1,000,000	1,004,207
Interest Earned	100,000	100,000	92,230
Total Additions	1,100,000	1,100,000	1,096,437
Deductions			
Professional Services	3,062,865	3,062,865	3,689,638
Change in Fiduciary Net Position	(1,962,865)	(1,962,865)	(2,593,201)
Net Position Restricted for Individuals, Organizations, and Other Governments			
Beginning			2,662,629
Ending			69,428

STATISTICAL SECTION
(Unaudited)

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

Financial Trends

These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

Net Position by Component - Last Ten Fiscal Years*
April 30, 2025 (Unaudited)

See Following Page

Net Position by Component - Last Ten Fiscal Years*
April 30, 2025 (Unaudited)

	2016	2017	2018
Governmental Activities			
Net Investment in Capital Assets	$ 68,607,855	71,604,563	72,521,382
Restricted	2,435,165	1,803,349	1,525,602
Unrestricted (Deficit)	(16,248,626)	(16,158,367)	(15,945,390)
Total Governmental Activities Net Position	54,794,394	57,249,545	58,101,594
Business-Type Activities			
Net Investment in Capital Assets	57,057,122	57,011,487	58,392,013
Unrestricted	4,874,724	5,705,034	4,988,694
Total Business-Type Activities Net Position	61,931,846	62,716,521	63,380,707
Total Primary Government			
Net Investment in Capital Assets	125,664,977	128,616,050	130,913,395
Restricted	2,435,165	1,803,349	1,525,602
Unrestricted (Deficit)	(11,373,902)	(10,453,333)	(10,956,696)
Total Primary Government Net Position	116,726,240	119,966,066	121,482,301

*Accrual Basis of Accounting

Data Source: Village Records

2019	2020	2021	2022	2023	2024	2025
72,883,954	73,048,132	72,080,771	71,261,240	75,412,648	75,064,420	77,216,951
2,465,101	753,861	1,633,446	2,463,194	2,170,004	1,216,782	3,933,366
(17,151,303)	(14,546,877)	(6,686,516)	13,925,705	10,887,258	14,811,235	15,320,835
58,197,752	59,255,116	67,027,701	87,650,139	88,469,910	91,092,437	96,471,152
58,261,518	59,328,919	59,059,111	59,623,202	61,289,792	63,927,599	64,608,490
5,715,057	4,331,433	5,899,531	6,362,208	8,260,642	8,331,291	11,289,155
63,976,575	63,660,352	64,958,642	65,985,410	69,550,434	72,258,890	75,897,645
131,145,472	132,377,051	131,139,882	130,884,442	136,702,440	138,992,019	141,825,441
2,465,101	753,861	1,633,446	2,463,194	2,170,004	1,216,782	3,933,366
(11,436,246)	(10,215,444)	(786,985)	20,287,913	19,147,900	23,142,526	26,609,990
122,174,327	122,915,468	131,986,343	153,635,549	158,020,344	163,351,327	172,368,797

Changes in Net Position - Last Ten Fiscal Years*
April 30, 2025 (Unaudited)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental Activities										
General Government	$ 8,351,874	6,173,990	5,544,025	7,211,923	9,434,286	5,706,170	5,763,632	13,099,145	13,258,432	17,731,901
Public Safety	29,898,354	27,203,359	27,808,376	29,040,076	30,219,913	27,519,374	27,424,644	32,191,753	35,420,049	34,919,234
Highways and Streets	11,545,960	10,130,465	10,328,932	8,153,488	8,801,576	7,509,642	8,553,834	14,666,432	17,074,037	15,616,007
Interest on Long-Term Debt	268,974	194,595	152,193	110,963	(64,260)	21,019	120,026	66,720	—	11,450
	50,065,162	43,702,409	43,833,526	44,516,450	48,391,515	40,756,205	41,862,136	60,024,050	65,752,518	68,278,592
Business-Type Activities										
Golf Course	19,250	19,250	19,250	19,250	108,747	68,479	21,142	25,642	30,242	21,142
Water and Sewer	8,174,054	8,694,834	8,255,401	8,665,298	9,450,358	7,732,870	8,902,121	8,325,750	9,647,828	9,100,004
	8,193,304	8,714,084	8,274,651	8,684,548	9,559,105	7,801,349	8,923,263	8,351,392	9,678,070	9,121,146
Total Primary Government Expenses	58,258,466	52,416,493	52,108,177	53,200,998	57,950,620	48,557,554	50,785,399	68,375,442	75,430,588	77,399,738
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	1,964,088	2,127,410	2,834,611	2,777,071	2,636,974	2,110,049	2,085,132	3,114,912	7,812,910	7,959,264
Public Safety	6,968,671	7,148,495	7,293,828	7,984,920	7,972,680	8,103,572	9,245,772	9,203,820	9,018,764	12,082,042
Highways and Streets	—	—	—	—	—	2,300,344	1,589,383	3,867,561	3,209,120	3,089,494
Operating Grants/Contributions	3,871	25,238	18,216	67,892	554,194	1,871,594	306,065	234,447	183,859	114,552
Capital Grants/Contributions	140,000	953,964	—	—	45,182	1,000,000	1,000,000	75,146	486,865	226,587
	9,076,630	10,255,107	10,146,655	10,829,883	11,209,030	15,385,559	14,226,352	16,495,886	20,711,518	23,471,939
Business-Type Activities										
Charges for Services										
Golf Course	—	—	—	1,790	—	—	—	—	—	—
Water and Sewer	8,080,082	9,290,080	8,936,729	9,301,866	9,045,999	8,898,269	9,720,384	9,704,218	10,424,644	11,152,058
	8,080,082	9,290,080	8,936,729	9,303,656	9,045,999	8,898,269	9,720,384	9,704,218	10,424,644	11,152,058
Total Primary Government Program Revenues	17,156,712	19,545,187	19,083,384	20,133,539	20,255,029	24,283,828	23,946,736	26,200,104	31,136,162	34,623,997

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net (Expenses) Revenues										
Governmental Activities	$ (40,988,532)	(33,447,302)	(33,686,871)	(33,686,567)	(37,182,485)	(25,370,646)	(27,635,784)	(43,528,164)	(45,041,000)	(44,806,653)
Business-Type Activities	(113,222)	575,996	662,078	619,108	(513,106)	1,096,920	797,121	1,352,826	746,574	2,030,912
Total Primary Government Net Revenues/(Expenses)	(41,101,754)	(32,871,306)	(33,024,793)	(33,067,459)	(37,695,591)	(24,273,726)	(26,838,663)	(42,175,338)	(44,294,426)	(42,775,741)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes	15,095,104	14,098,797	14,339,756	16,372,878	16,569,185	12,409,010	18,784,920	19,747,203	19,228,862	19,967,281
Intergovernmental	20,770,143	21,385,781	19,934,663	20,672,430	19,426,692	20,312,059	29,788,707	25,352,790	26,633,284	28,559,805
Investment Income	52,654	55,105	175,672	683,386	758,975	253,690	(313,467)	813,051	1,931,412	2,305,325
Miscellaneous	306,310	562,770	88,829	106,058	1,543,997	293,472	156,469	434,891	827,270	602,957
Transfers	(134,760)	(200,000)	—	(200,000)	(59,000)	(125,000)	(158,407)	(2,000,000)	(1,500,000)	(1,250,000)
	36,089,451	35,902,453	34,538,920	37,634,752	38,239,849	33,143,231	48,258,222	44,347,935	47,120,828	50,185,368
Business-Type Activities										
Investment Income	7,654	(1,371)	2,108	125,205	137,883	68,025	64,213	212,198	289,877	314,344
Miscellaneous	50,000	10,050	—	—	—	8,345	7,027	—	88,649	43,499
Transfers	134,760	200,000	—	200,000	59,000	125,000	158,407	2,000,000	1,500,000	1,250,000
	192,414	208,679	2,108	325,205	196,883	201,370	229,647	2,212,198	1,878,526	1,607,843
Total Primary Government	36,281,865	36,111,132	34,541,028	37,959,957	38,436,732	33,344,601	48,487,869	46,560,133	48,999,354	51,793,211
Changes in Net Position										
Governmental Activities	(4,899,081)	2,455,151	852,049	3,948,185	1,057,364	7,772,585	20,622,438	819,771	2,079,828	5,378,715
Business-Type Activities	79,192	784,675	664,186	944,313	(316,223)	1,298,290	1,026,768	3,565,024	2,625,100	3,638,755
Total Primary Government	(4,819,889)	3,239,826	1,516,235	4,892,498	741,141	9,070,875	21,649,206	4,384,795	4,704,928	9,017,470

*Accrual Basis of Accounting

Data Source: Village Records

Fund Balances of Governmental Funds - Last Ten Fiscal Years*
April 30, 2025 (Unaudited)

	2016	2017	2018
General Fund			
Nonspendable	$ 415,956	402,521	367,993
Restricted	—	—	—
Assigned	678,105	688,875	—
Unassigned	23,825,296	24,925,486	25,673,424
Total General Fund	24,919,357	26,016,882	26,041,417
All Other Governmental Funds			
Nonspendable	678	677	—
Restricted	2,544,322	1,890,949	1,594,771
Committed	5,331,519	4,435,057	2,941,432
Total All Other Governmental Funds	7,876,519	6,326,683	4,536,203
Total All Governmental Funds	32,795,876	32,343,565	30,577,620

*Modified Accrual Basis of Accounting

Data Source: Village Records

2019	2020	2021	2022	2023	2024	2025
235,044	365,597	249,804	291,056	230,325	1,021,503	1,219,272
—	—	—	—	—	—	1,057,902
—	—	—	—	—	—	—
26,508,124	25,385,545	24,980,815	31,199,420	30,060,013	32,338,104	33,499,651
26,743,168	25,751,142	25,230,619	31,490,476	30,290,338	33,359,607	35,776,825
—	—	145,505	168,708	174,863	224,703	217,610
2,459,041	753,861	1,633,446	2,463,194	2,170,004	1,216,782	2,875,464
3,466,586	3,984,548	5,456,849	13,194,013	10,794,544	11,499,512	11,271,374
5,925,627	4,738,409	7,235,800	15,825,915	13,139,411	12,940,997	14,364,448
32,668,795	30,489,551	32,466,419	47,316,391	43,429,749	46,300,604	50,141,273

Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years*
April 30, 2025 (Unaudited)

	2016	2017	2018
Revenues			
Taxes	$ 15,091,918	14,106,219	13,578,002
Intergovernmental	23,955,455	24,863,305	23,856,029
Charges for Services	2,878,783	3,203,488	3,758,185
Licenses and Permits	978,799	1,226,620	1,362,668
Fines and Forfeitures	2,033,885	1,742,105	1,987,799
Investment Income	52,654	55,105	175,672
Miscellaneous	306,310	562,770	88,829
Total Revenues	45,297,804	45,759,612	44,807,184
Expenditures			
Current			
General Government	6,815,620	5,592,552	5,845,855
Public Safety	24,167,952	25,053,073	27,080,893
Highways and Streets	5,016,925	4,736,254	4,775,884
Capital Outlay	8,294,310	8,173,880	6,721,813
Debt Service			
Principal Retirement	2,447,757	2,338,992	1,916,719
Interest and Fiscal Charges	354,983	279,120	233,592
Total Expenditures	47,097,547	46,173,871	46,574,756
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,799,743)	(414,259)	(1,767,572)
Other Financing Sources (Uses)			
Debt Issuance	998,468	—	—
Disposal of Capital Assets	66,595	161,948	1,627
Transfers In	3,065,195	2,897,575	2,309,325
Transfers Out	(3,199,955)	(3,097,575)	(2,309,325)
	930,303	(38,052)	1,627
Net Change in Fund Balances	(869,440)	(452,311)	(1,765,945)
Debt Service as a Percentage of Noncapital Expenditures	6.2%	6.1%	4.8%

*Modified Accrual Basis of Accounting

Data Source: Village Records

2019	2020	2021	2022	2023	2024	2025
15,413,939	14,280,346	8,754,293	15,569,305	16,740,074	16,664,898	17,725,445
24,652,181	26,109,313	29,005,419	37,387,326	32,063,790	33,343,646	34,435,015
4,426,397	4,785,581	6,732,593	7,229,000	10,536,851	13,984,797	17,217,113
1,125,146	890,123	1,088,113	1,003,577	1,095,187	1,539,476	1,183,884
2,165,292	1,835,471	1,524,441	1,476,500	1,242,622	1,009,166	1,101,510
683,386	758,975	253,690	(313,467)	813,051	1,931,412	2,305,325
106,058	1,543,997	293,472	156,469	434,891	827,270	602,957
48,572,399	50,203,806	47,652,021	62,508,710	62,926,466	69,300,665	74,571,249
6,793,147	7,130,404	5,397,213	7,155,696	10,333,728	13,524,322	15,563,094
27,560,716	28,777,127	28,986,189	30,403,267	31,694,403	33,339,155	34,047,265
4,291,033	5,654,819	6,134,049	6,218,780	7,535,107	7,164,312	6,409,765
6,486,136	6,227,150	7,810,726	6,093,535	9,893,134	11,464,935	13,300,761
1,015,000	4,380,000	—	161,178	5,277,482	159,694	148,245
185,350	154,550	—	128,511	79,254	—	11,450
46,331,382	52,324,050	48,328,177	50,160,967	64,813,108	65,652,418	69,480,580
2,241,017	(2,120,244)	(676,156)	12,347,743	(1,886,642)	3,648,247	5,090,669
—	—	2,778,024	2,660,636	—	287,351	—
50,158	—	—	—	—	—	—
3,101,200	3,344,727	367,283	4,250,000	2,650,000	1,650,000	2,876,928
(3,301,200)	(3,403,727)	(492,283)	(4,408,407)	(4,650,000)	(3,150,000)	(4,126,928)
(149,842)	(59,000)	2,653,024	2,502,229	(2,000,000)	(1,212,649)	(1,250,000)
2,091,175	(2,179,244)	1,976,868	14,849,972	(3,886,642)	2,435,598	3,840,669
2.7%	9.0%	0.0%	0.6%	8.3%	0.2%	0.2%

Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years
April 30, 2025 (Unaudited)

Tax Levy Year	Real Estate	Railroads	Total Assessed Value	Estimated Actual Value of Property	Total Direct Tax Rate
2015	$ 1,038,151,038	$ 942,110	$ 1,039,093,148	$ 3,117,279,444	—
2016	1,088,812,299	965,775	1,089,778,074	3,269,334,222	—
2017	1,122,204,032	989,009	1,123,193,041	3,369,579,123	—
2018	1,152,145,499	1,027,331	1,153,172,830	3,459,518,490	—
2019	1,188,967,186	1,101,490	1,190,068,676	3,570,206,028	—
2020	1,193,920,669	1,113,745	1,195,034,414	3,983,448,046	—
2021	1,210,933,815	1,113,745	1,212,047,560	4,040,158,533	—
2022	1,278,271,095	1,292,670	1,279,563,765	4,265,212,550	—
2023	1,324,260,062	1,457,263	1,325,717,325	4,419,057,750	—
2024	1,443,547,156	1,342,237	1,444,889,393	4,816,297,976	—

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

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

Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years
April 30, 2025 (Unaudited)

See Following Page

Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years
April 30, 2025 (Unaudited)

	2015	2016	2017
Direct Rates			
Village of Gurnee*	—	—	—
Overlapping Rates for Grade School District 56			
Lake County Forest	0.2079	0.1929	0.1873
Warren Township	0.6476	0.2911	0.2826
North Shore Sanitary	0.1656	0.1568	0.1527
Gurnee Park District	0.5222	0.5044	0.5006
School District 56	4.9927	4.8222	4.7698
High School 121	2.4833	2.4343	2.4324
Warren Newport Library	0.3348	0.3694	0.2735
CLCJAWA Water	0.0541	0.0458	0.0408
College of Lake County	0.2994	0.2854	0.2806
County of Lake	0.6628	0.6320	0.6218
Overlapping Rates for Grade School District 50			
Lake County Forest	0.2079	0.1929	0.1873
Warren Township	0.6476	0.2911	0.2826
North Shore Sanitary	0.1656	0.1568	0.1527
Gurnee Park District	0.5222	0.5044	0.5006
School District 50	4.6940	4.5225	4.2801
High School 121	2.4833	2.4343	2.4324
Warren Newport Library	0.3348	0.3694	0.2735
CLCJAWA Water	0.0541	0.0458	0.0408
College of Lake County	0.2994	0.2854	0.2806
County of Lake	0.6628	0.6320	0.6218

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

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

Data Source: Lake County Clerk Tax Extension Office

2018	2019	2020	2021	2022	2023	2024
—	—	—	—	—	—	—
0.1821	0.1798	0.1818	0.1789	0.1732	0.1680	0.1616
0.3326	0.2789	0.6179	0.6221	0.6189	0.6230	0.5879
0.1532	0.1530	0.1571	0.1583	0.1597	0.1587	0.1499
0.5164	0.4940	0.5042	0.5074	0.5068	0.5129	0.4878
4.8501	4.5034	4.4946	4.5185	4.4574	4.5411	4.2562
2.6331	2.3091	2.3481	2.3569	2.9378	2.9448	2.7693
0.3281	0.3066	0.3119	0.3121	0.3110	0.3129	0.2950
—	—	—	0.0001	—	—	—
0.2878	0.2815	0.2897	0.2935	0.2958	0.2942	0.2802
0.6117	0.5968	0.5980	0.5977	0.5887	0.5863	0.5513
0.1821	0.1798	0.1818	0.1789	0.1732	0.1680	0.1616
0.3326	0.2789	0.6179	0.6221	0.6189	0.6230	0.5879
0.1532	0.1530	0.1571	0.1583	0.1597	0.1587	0.1499
0.5164	0.4940	0.5042	0.5074	0.5068	0.5129	0.4878
4.3703	4.2595	4.2885	4.3308	4.3151	4.3844	4.1733
2.6331	2.3091	2.3481	2.3569	2.9378	2.9448	2.7693
0.3281	0.3066	0.3119	0.3121	0.3110	0.3129	0.2950
—	—	—	0.0001	—	—	—
0.2878	0.2815	0.2897	0.2935	0.2958	0.2942	0.2802
0.6117	0.5968	0.5980	0.5977	0.5887	0.5863	0.5513

Principal Property Tax Payers - Current Fiscal Year and Nine Fiscal Years Ago
April 30, 2025 (Unaudited)

	2025			2016		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
Gurnee Mills	$ 41,662,500	1	2.88%	$ 49,230,773	1	4.74%
Six Flags Great America	22,707,250	2	1.57%	23,997,600	2	2.31%
Breit Mf Osprey Lake LLC	22,361,507	3	1.55%			
Wh Pembrook Property Owner LLC	12,272,089	4	0.85%			
Great Wolf Lodge	11,055,462	5	0.77%			
3503 Rp Gurnee LLC	8,552,719	6	0.59%			
Rh Woodlake LLC	7,728,120	7	0.53%			
CPUS 605 Tri State LP	6,090,655	8	0.42%			
Grand Avenue Association LLC	5,920,423	9	0.41%			
Walmart Stores Inc	5,653,969	10	0.39%	7,415,661	5	0.71%
The Realty Associates Fund Ix, LP				12,335,368	3	1.19%
Gurnee Waterpark LLC (Keylime Cove)				9,360,535	4	0.90%
Pc Gurnee LLC				7,361,879	6	0.71%
Inland Western Gurnee LLC				6,333,351	7	0.61%
B&S Woodlake Apartments				6,157,801	8	0.59%
Advocate Health & Hospital Corporation				4,367,857	9	0.42%
Actavis Pharma Inc.				4,212,593	10	0.41%
	144,004,694		9.96%	130,773,418		12.59%

Data Source: Lake County Clerk, Tax Extension Office

Taxable Sales by Category - Last Ten Calendar Years
April 30, 2025 (Unaudited)

See Following Page

VILLAGE OF GURNEE, ILLINOIS

Taxable Sales by Category - Last Ten Calendar Years
April 30, 2025 (Unaudited)

	2015*	2016	2017
General Merchandise	$ 4,268,858	3,195,744	2,975,184
Food	1,164,903	2,028,064	2,154,589
Drinking & Eating	2,674,460	2,819,326	2,743,373
Apparel	2,328,231	2,336,877	2,213,383
Furniture & Fixtures	1,433,597	1,414,274	1,457,322
Lumber & Hardware	1,823,618	1,856,506	1,954,914
Auto & Filling Stations	2,471,248	2,308,323	2,292,389
Drugs & Other Retail	3,129,030	3,501,734	3,301,705
Agriculture & All Other	2,472,555	2,185,444	2,298,991
Manufacturers	400,537	409,185	402,566
Total	22,167,037	22,055,477	21,794,416

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

Data Source: Illinois Department of Revenue

2018	2019	2020	2021	2022	2023	2024
3,037,724	2,905,827	2,469,593	3,076,884	3,205,200	3,287,842	3,600,676
2,235,415	2,223,591	2,373,489	2,545,945	2,861,012	2,674,351	3,136,365
2,835,860	3,079,566	2,101,950	2,951,895	3,425,740	3,707,893	3,797,780
2,285,281	2,245,206	1,470,521	2,427,328	2,311,622	2,264,938	2,289,804
1,528,640	1,560,219	1,401,367	1,706,196	1,469,480	1,298,146	1,205,168
1,918,510	1,629,185	1,912,716	2,100,225	2,203,911	1,982,649	1,967,657
2,617,213	2,670,356	2,374,522	3,026,469	2,751,172	2,903,022	2,920,345
3,180,934	2,871,814	2,781,063	4,819,886	4,787,456	4,918,872	5,140,035
2,277,340	2,228,073	1,235,598	2,309,369	2,488,548	2,993,097	3,373,817
409,788	427,767	332,319	443,104	421,172	416,069	435,840
22,326,705	21,841,604	18,453,138	25,407,301	25,925,313	26,446,879	27,867,487

Direct and Overlapping Sales Tax Rates - Last Ten Fiscal Years
April 30, 2025 (Unaudited)

Fiscal Year	Home Rule Sales Tax Rate	State Sales Tax Rate	Total Tax Rate
2016	1.00%	7.00%	8.00%
2017	1.00%	7.00%	8.00%
2018	1.00%	7.00%	8.00%
2019	1.00%	7.00%	8.00%
2020	1.00%	7.00%	8.00%
2021	1.00%	7.00%	8.00%
2022	1.00%	7.00%	8.00%
2023	1.00%	7.00%	8.00%
2024	1.00%	7.00%	8.00%
2025	1.00%	7.00%	8.00%

Data Source: Illinois Department of Revenue

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

Ratios of Outstanding Debt by Type - Last Ten Fiscal Years
April 30, 2025 (Unaudited)

See Following Page

Ratios of Outstanding Debt by Type - Last Ten Fiscal Years
April 30, 2025 (Unaudited)

	Governmental Activities			
Fiscal Year	Loan Payable	General Obligation Bonds	Promissory Note	Subscription Arrangements
2016	$ 660,711	$ 9,339,964	$ —	$ —
2017	91,719	7,506,996	—	—
2018	—	5,619,028	—	—
2019	—	4,541,060	—	—
2020	—	—	—	—
2021	—	—	2,778,024	—
2022	—	—	5,277,482	—
2023	—	—	—	—
2024	—	—	—	579,091
2025	—	—	—	430,846

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

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

Data Source: Village Records

Business-Type Activities				
IEPA Loans Payable	Installment Contracts Payable	Total Primary Government	Percentage of Personal Income *	Per Capita*
$ —	$ —	$ 10,000,675	0.87%	320
—	—	7,598,715	0.59%	243
—	—	5,619,028	0.43%	180
2,442,990	37,834	7,021,884	0.53%	224
4,637,496	21,760	4,659,256	0.35%	151
5,129,401	11,315	7,918,740	0.55%	254
4,658,522	870	9,936,874	0.69%	327
4,178,939	—	4,178,939	0.27%	137
3,690,491	—	4,269,582	0.26%	141
3,193,018	—	3,623,864	0.20%	119

Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years
April 30, 2025 (Unaudited)

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

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

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

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

Data Source: Village Records

Direct and Overlapping Governmental Activities Debt
April 30, 2025 (Unaudited)

Governmental Unit	(1) Outstanding Debt	(2) Percentage of Debt Applicable to Village	(3) Village's Share of Debt
Village of Gurnee	$ 430,846	100.00%	$ 430,846
Overlapping			
Gurnee Park District	11,349	97.31%	11,044
Waukegan Park District	20,346	1.63%	332
Warren Newport Library	2,683	57.50%	1,543
Lake County	136,415	4.44%	6,057
Lake County Forest Preserve	189,869	4.44%	8,430
Community College #532	73,232	4.68%	3,427
School District 60	24,600	4.00%	984
School District 50	88,060	50.70%	44,646
School District 56	32,300	56.23%	18,162
High School District 121	73,600	52.63%	38,736
Total Overlapping Debt	652,454		133,361
Total Direct and Overlapping Debt	1,083,300		564,207

Data Sources:
(1) Lake County Tax Extension Department

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

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

Debt Margin Information - Last Ten Fiscal Years
April 30, 2025 (Unaudited)

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Debt Margin	Total Net Debt Applicable to the Limit as a Percentage of Debt Limit
2016	$ 89,621,784	$ 8,640,036	$ 80,981,748	9.6%
2017	93,993,359	7,220,000	86,773,359	7.7%
2018	96,875,400	(161,060)	97,036,460	(0.2%)
2019	99,461,157	4,380,000	95,081,157	4.4%
2020	102,643,423	—	102,643,423	0.0%
2021	103,071,718	2,778,024	100,293,694	2.7%
2022	104,539,102	5,277,482	99,261,620	5.0%
2023	110,362,375	—	110,362,375	0.0%
2024	114,343,119	—	114,343,119	0.0%
2025	124,621,710	—	124,621,710	0.0%

Legal Debt Margin Calculation for Fiscal Year 2024

Total Equalized Assessed Valuation - 2024	$ $1,444,889,393
Debt Limit - 8.625% of Total EAV	124,621,710
Total Outstanding Debt	—
Less Debt Not Applicable to Debt Limit	—
Net Debt Applicable to Limit	—
Legal Debt Margin	124,621,710

Data Source: Lake County Clerk and Village Records

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

VILLAGE OF GURNEE, ILLINOIS

Demographic and Economic Statistics - Last Ten Calendar Years
April 30, 2025 (Unaudited)

Calendar Year	(1) Population	(2) Per Capita Income	(2) Total Personal Income	(1) Median Age	(1) Education Level in Years of Schooling	(3) School Enrollment	(4) Unemployment Rate
2015	31,284	$ 36,694	$ 1,147,935,096	38.8	14.5	13,000	4.4%
2016	31,284	41,327	1,292,873,868	39.6	14.5	13,100	4.4%
2017	31,284	42,010	1,314,240,840	39.3	14.5	13,100	3.7%
2018	31,284	42,010	1,314,240,840	39.3	14.5	13,215	3.8%
2019	30,767	42,783	1,316,304,561	39.0	14.5	13,215	4.3%
2020	31,207	46,432	1,449,003,424	41.0	14.5	11,625	5.3%
2021	30,378	47,671	1,448,149,638	41.0	14.5	10,416	5.3%
2022	30,521	50,359	1,537,007,039	40.0	14.5	10,333	4.8%
2023	30,303	54,921	1,664,271,063	41.0	14.5	10,107	4.3%
2024	30,547	58,304	1,781,012,288	41.0	14.5	9,706	3.4%

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

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

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

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

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

VILLAGE OF GURNEE, ILLINOIS

Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago
April 30, 2025 (Unaudited)

	2025			2016		
Employer		Rank	% of Total Village Population	Employees	Rank	% of Total Village Population
Gurnee Mills	N/A		N/A	N/A		N/A
Six Flags Great America	N/A		N/A	N/A		N/A
Nosco Printing Group	N/A		N/A	N/A		N/A
Gurnee School District No. 56	N/A		N/A	N/A		N/A
Kenall Mfg. Co.	N/A		N/A	N/A		N/A
Domino Amjet, Inc.	N/A		N/A	N/A		N/A
Nypro Chicago, Inc.	N/A		N/A	N/A		N/A
Lambent Technologies	N/A		N/A	N/A		N/A
Danaher Controls	N/A		N/A	N/A		N/A
Henderson & Son, Inc.	N/A		N/A	N/A		N/A
	N/A		N/A	N/A		N/A

Source: Village Records

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

N/A - Not Available

Full-Time and Part-Time Employees by Function - Last Ten Fiscal Years
April 30, 2025 (Unaudited)

See Following Page

Full-Time and Part-Time Employees by Function - Last Ten Fiscal Years
April 30, 2025 (Unaudited)

Function	2016	2017	2018
General Government			
Administration	14.75	13.75	14.02
Planning/Building	8.65	8.65	8.60
Engineering	7.25	7.25	7.25
Public Safety			
Fire	57.70	57.60	56.50
Police	79.00	81.50	81.50
Communications	14.95	15.00	21.00
Public Works			
Streets	16.60	16.60	17.40
Vehicle Maintenance	4.00	4.00	4.00
Utility	13.85	13.35	13.35
Totals	216.75	217.70	223.62

Data Source: Village Records

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

N/A - Not Available

2019	2020	2021	2022	2023	2024	2025
14.07	14.07	12.15	13.65	14.20	14.65	17.40
8.90	8.90	7.50	7.50	8.80	9.80	8.80
6.75	6.75	5.00	4.50	6.50	6.50	6.50
62.00	62.00	62.00	62.00	63.00	62.00	69.00
82.50	83.50	75.00	79.50	82.00	85.00	97.50
22.25	22.25	21.50	23.25	24.30	24.25	24.25
17.20	17.20	17.00	17.02	18.10	18.50	18.30
4.00	4.00	4.00	4.00	4.00	4.00	4.00
13.85	13.85	13.30	12.53	13.80	14.11	15.00
231.52	232.52	217.45	223.95	234.70	238.81	260.75

Operating Indicators by Function - Last Ten Fiscal Years
April 30, 2025 (Unaudited)

Function	2016	2017	2018
General Government			
General Business Licenses Issued	1,162	1,150	1,162
Number of Commercial Units Constructed	5	5	5
Value of Commercial Construction	$ 7,820,708	24,146,129	7,365,000
Number of Residential Units Constructed	8	22	49
Value of Residential Construction	$ 2,549,629	4,391,360	7,404,761
Public Safety			
911 Calls	20,627	31,079	36,350
Police Responses (1)	63,893	66,538	71,241
Physical Arrests (3)	861	794	703
Traffic Citations Written	4,736	5,399	5,413
Parking Violations (3)	1,017	1,007	1,646
Fire Responses (2)	6,220	6,230	6,819
Emergency Medical Responses (3)	4,208	4,261	4,542
Fire Department Mutual Aid Responses (3)	533	562	646
Streets & Highways			
Miles of Streets Resurfaced	—	3.8	3.6
Inches of Snowfall	30.8	35.4	33
Tons of Salt Used in Snow Plowing	1,799	1,891	2,766
Number of Parkway Trees Planted	141	168	120
Utility			
Number of Water Main Breaks (3)	25	32	34
Total Water Consumption (Millions of Gallons)	1,274	1,327	1,254
Number of Water Meters Replaced	93	135	63
Number of Reading Orions Replaced	N/A	N/A	N/A
Average Daily Consumption (Million of Gallons)	3.6	3.6	3.4

Data Source: Various Village Departments

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

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

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

N/A - Not Available

2019	2020	2021	2022	2023	2024	2025
1,137	1,188	1,125	1,235	1,132	1,211	1,227
6	2	4	5	2	4	5
14,749,943	14,564,250	16,660,344	17,161,153	7,315,300	8,707,500	16,508,516
21	3	3	2	4	156	4
3,386,410	481,930	866,400	654,934	1,271,180	22,454,000	2,416,500
37,415	27,884	29,543	42,985	35,907	35,113	32,379
71,315	70,269	60,797	64,142	58,284	62,297	52,061
693	654	366	408	482	590	479
5,047	4,323	3,615	3,460	4,119	5,444	6,822
1,644	1,125	986	728	609	808	1,307
7,047	6,871	6,347	7,408	7,998	8,020	7,975
4,574	4,555	4,115	5,244	5,836	5,333	5,321
573	519	486	475	532	479	422
3.8	4.7	2.4	2.0	2.0	2.0	6.0
52.5	25.5	42.0	22.0	35.0	22.0	20.0
3,595	2,421	2,635	2,061	2,820	1,836	2,023
190	102	67	68	142	175	167
33	23	25	37	19	21	27
1,290	1,226	1,125	1,508	1,287	1,307	1,258
154	86	82	220	220	105	125
N/A	N/A	N/A	N/A	N/A	4,031	N/A
3.5	3.4	3.1	4.0	3.5	3.6	3.7

Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
April 30, 2025 (Unaudited)

Function/Program	2016	2017	2018
Municipal Buildings			
Police Station/Dispatch Center	1	1	1
Fire Stations	2	2	2
Public Works Facilities	1	1	1
Village Hall	1	1	1
Highways and Streets			
Miles of Streets			
Village	118	118	118
County	17	17	17
U.S. & State	33	33	33
Private	24	24	24
Number of Street Lights			
Village	1,687	1,691	1,691
ComEd	459	459	459
County	23	23	23
Private	20	20	20
State	34	34	35
Utility			
Miles of Watermain	182	184	184
Miles of Sanitary Sewers	140	141	141
Miles of Storm Sewers - Village	135	137	137
Miles of Storm Sewers - Other	26	26	26
Number of Sanitary Force Mains	5	5	5
Facilities not Included in the Reporting Entity			
Number of Elementary Schools	8	8	8
Number of High Schools	2	2	2
Number of Libraries	1	1	1
Park District Acres	403	403	403

Data Source: Various Village Departments

2019	2020	2021	2022	2023	2024	2025
1	1	1	1	1	1	1
2	2	3	3	3	3	3
1	1	1	1	1	1	1
1	1	1	1	1	1	1
118	118	120	120	120	120	121
17	17	17	17	17	17	17
33	33	33	33	33	33	33
24	24	24	24	24	24	23
1,742	1,742	1,727	1,730	1,732	1,735	1,739
463	463	463	463	465	468	468
23	23	32	32	32	32	32
302	302	302	302	302	302	302
35	36	43	43	43	43	43
179	179	182	184	184	185	185
143	143	142	145	145	145	145
135	135	135	137	137	137	137
26	26	67	67	67	67	67
6	6	8	8	8	8	8
8	8	8	8	8	8	8
2	2	2	2	2	2	2
1	1	1	1	1	1	1
450	450	450	450	450	450	450

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

March 5, 2026

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Gurnee (the Village), Illinois, as of and for the year ended April 30, 2025, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated March 5, 2026. Our report includes a reference to other auditors who audited the financial statements of the fire and police pension funds, as described in our report on the Village's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP