



Financial Status Report

4th Quarter FY 2025-2026

May 1, 2025 – April 30, 2026

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Introduction

Elected Officials

Thomas B. Hood – Mayor

Andy Harris – Village Clerk

Jeanne Balmes – Trustee

Greg Garner – Trustee

Quin O’Brien – Trustee

Cheryl Ross – Trustee

Karen Thorstenson – Trustee

Kevin Woodside - Trustee

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

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

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

Financial Planning & Reporting Process

Long-Term Planning

- Strategic Plan
- Multi-Year Financial Forecast
- Multi-Year Capital Plan

Short-Term Planning

- Annual Budget

Reporting

- **Financial Status Reports**
- Annual Comprehensive Financial Report
- Popular Annual Financial Report

Cash & Investments

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

Cash & Investments Summary		
Cash & Investments Summary by Fund		
	Total	\$52,324,238
110 - General Fund	\$28,443,967	54%
121 - 911 Fund	\$1,761,223	3%
122 - Motor Fuel Tax Fund	\$913,541	2%
123 - Impact Fee Fund	\$24,570	0%
124 - PD Restricted Revenue Fund	\$283,821	1%
125 - Economic Development Fund	\$2,661,965	5%
131 - Capital Improvement Fund	\$9,580,065	18%
211 - Golf Course Fund	\$2,329,983	4%
221 - Water & Sewer Operating Fund	\$7,862,218	15%
223 - Water & Sewer Capital Fund		
231 - Health Insurance Fund	-\$2,253,428	-4%
233 - Fleet Services Fund	\$716,316	1%

By Fund

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

Cash & Investments Summary by Liquidity		
	Total	\$52,324,238
Checking/Savings Accounts	\$6,814,851	13%
Money Market/LGIP	\$28,472,986	54%
Short-Term Investments	\$17,030,501	33%
Petty Cash/Cash on Hand	\$5,901	0%

By Liquidity

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

Cash & Investments Summary by Institution		
	Total	\$52,324,238
Village Departments	\$5,901	0%
Gurnee Bank (Checking & Money Market)	\$24,941,564	48%
Illinois Funds	\$10,346,273	20%
Schwab Investment Account	\$9,973,577	19%
5/3rd Securities Inc.	\$7,056,924	13%

purposes.

By Financial Institution

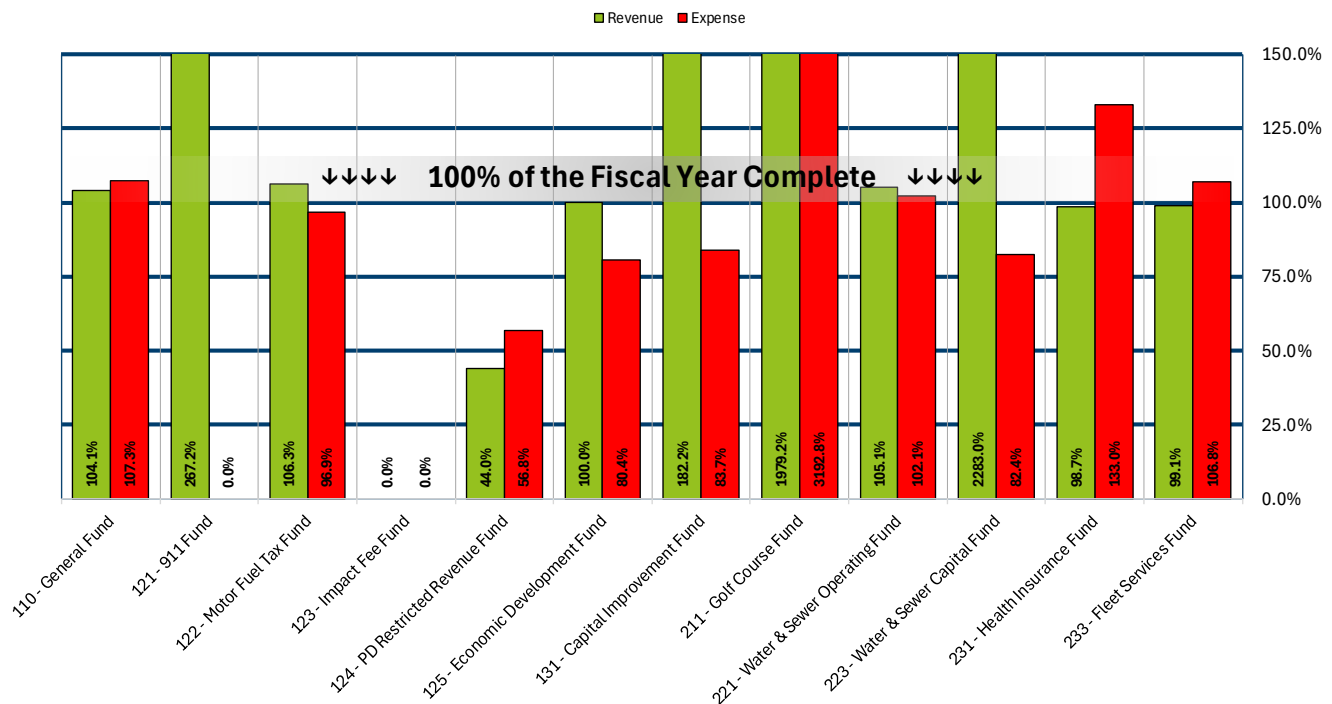
The Village maintains contractual relationships with a primary banking services provider (Gurnee Bank) for day to day banking needs, and two independent investment advisors (Sawyer Falduto Asset Management LLC, and 5/3rd Securities Inc.) to manage short-term investment of idle balances. The Village has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

All Funds Summary

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

Fund	Revenue			Expense			Revenue +/- Expense	
	FY26 Budget	FY26 Actual	% of Budget	FY26 Budget	FY26 Actual	% of Budget	FY26 Budget	FY26 Actual
Total All Funds	\$84,150,916	\$95,328,962	113.3%	\$94,845,432	\$96,844,281	102.1%	-\$10,694,516	-\$1,515,319
110 - General Fund	\$53,435,761	\$55,630,787	104.1%	\$53,435,761	\$57,335,575	107.3%	\$0	(\$1,704,788)
121 - 911 Fund	\$205,000	\$547,791	267.2%	\$1,195,458	\$0	0.0%	(\$990,458)	\$547,791
122 - Motor Fuel Tax Fund	\$1,391,417	\$1,478,588	106.3%	\$1,429,670	\$1,384,670	96.9%	(\$38,253)	\$93,918
123 - Impact Fee Fund	\$0	\$0	0.0%	\$0	\$0	0.0%	\$0	\$0
124 - PD Restricted Revenue Fund	\$157,500	\$69,233	44.0%	\$183,815	\$104,337	56.8%	(\$26,315)	(\$35,105)
125 - Economic Development Fund	\$3,071,000	\$3,071,000	100.0%	\$3,071,000	\$2,470,144	80.4%	\$0	\$600,856
131 - Capital Improvement Fund	\$6,000,000	\$10,929,495	182.2%	\$12,871,500	\$10,777,459	83.7%	(\$6,871,500)	\$152,036
211 - Golf Course Fund	\$81,000	\$1,603,184	1979.2%	\$25,000	\$798,199	3192.8%	\$56,000	\$804,985
221 - Water & Sewer Operating Fund	\$10,746,000	\$11,292,887	105.1%	\$7,691,490	\$7,853,702	102.1%	\$3,054,510	\$3,439,185
223 - Water & Sewer Capital Fund	\$80,000	\$1,826,421	2283.0%	\$5,458,500	\$4,497,819	82.4%	(\$5,378,500)	(\$2,671,398)
231 - Health Insurance Fund	\$5,700,910	\$5,628,113	98.7%	\$5,700,910	\$7,581,203	133.0%	\$0	(\$1,953,090)
233 - Fleet Services Fund	\$3,282,328	\$3,251,464	99.1%	\$3,782,328	\$4,041,173	106.8%	(\$500,000)	(\$789,710)

Revenues & Expenses as a % of Budget



Major Revenues

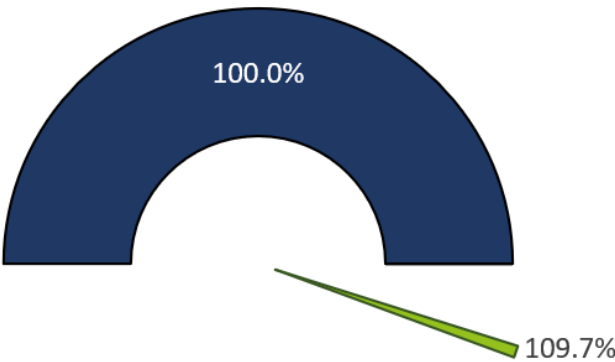
Major Revenues consist of Sales Tax, Amusement Tax, Food & Beverage Tax, Hotel Tax, Income Tax, Local Use Tax and Water & Sewer charges. Combined, these revenues make up roughly 68% of the General Fund and 95% of the Water & Sewer Fund. These taxes are the most economically sensitive revenue streams the Village relies on for operations, and the water and sewer charges are intended to fully support the operations and capital needs of the water and sewer system.

State Shared & Locally Imposed Taxes

The charts below show Major Revenues in total and individually by month for the last 5-years. The charts include three comparisons described in further detail below:

- **YTD Versus Last Year** – This indicator shows actual collections through the current quarter this fiscal year versus the immediately preceding fiscal year. This variance can be helpful to identify any year to year variances.
- **YTD Versus Seasonally Adjusted Budget** – This indicator shows actual collections through the current quarter this fiscal year versus the year-to-date budget adjusted for seasonality. Seasonality is determined based on the percentage of revenues collected for the same timeframe in the preceding fiscal year.

Major Revenues as a % of Budget Complete
(Seasonally Adjusted Budget)



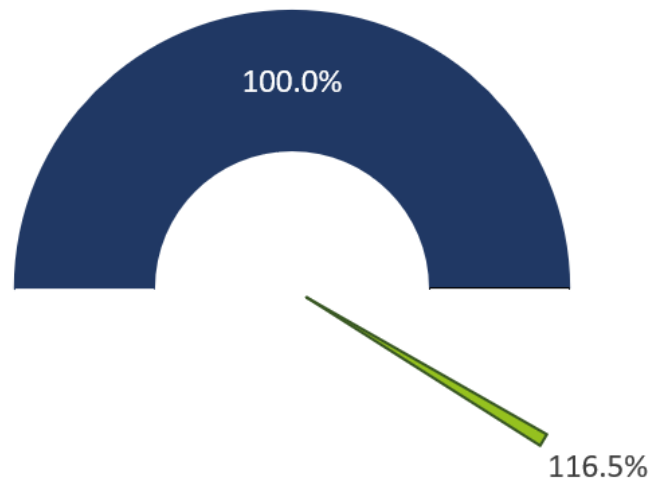
Major Revenues Dashboard					
Revenue	vs. Last Year			vs. Adj Budget	
Comparison Total		\$38,030,937		\$36,943,306	
YTD Actual		\$40,519,362		\$40,519,362	
Over/(Under)		6.5%	\$2,488,425	9.7%	\$3,576,056
Sales Tax (MST & HMR)	12.9%	\$2,860,331		16.5%	\$3,535,562
Amusement Tax	-5.3%	(\$227,147)		-2.6%	(\$108,433)
Food & Beverage Tax	5.2%	\$149,332		6.5%	\$184,286
Hotel Tax	6.7%	\$158,000		5.0%	\$119,976
Income Tax	5.5%	\$293,339		3.0%	\$164,508
Use Tax	-72.6%	(\$745,430)		-53.1%	(\$319,842)

Sales Tax

Items except food, drugs and titled property are subject to an 8.50% Sales Tax in Gurnee effective January 1, 2026. The 8.50% rate includes a 1.50% Home Rule Sales Tax, 6.25% State Tax and 0.75% Regional Transportation Tax. The Village receives 1% of the state rate and 1.50% Home Rule Sales Tax rate within the corporate limits of the Village and certain internet sales as of March 1, 2021 based on the destination of the sale.

Sales Tax as a % of Budget Complete

(Seasonally Adjusted Budget)



331301 - SALES TAX & 331303 - HOME RULE SALES TAX									
Sales/Receipt Month		FY2022		FY2023		FY2024		FY2025	FY2026
Feb/May	●	\$1,128,154	●	\$1,338,505	●	\$1,295,361	●	\$1,433,104	\$1,545,682
Mar/Jun	●	\$1,697,533	●	\$1,649,215	●	\$1,531,475	●	\$1,717,981	\$1,936,364
Apr/Jul	●	\$1,556,947	●	\$1,661,962	●	\$1,600,304	●	\$1,629,755	\$1,966,142
May/Aug	●	\$1,773,938	●	\$1,732,485	●	\$1,799,213	●	\$1,858,572	\$2,093,008
Jun/Sep	●	\$1,950,777	●	\$1,912,997	●	\$1,953,100	●	\$1,917,101	\$2,224,329
Jul/Oct	●	\$1,794,315	●	\$1,735,654	●	\$1,824,462	●	\$1,899,360	\$2,249,784
Aug/Nov	●	\$1,762,746	●	\$1,795,934	●	\$1,883,921	●	\$1,923,208	\$2,222,249
Sep/Dec	●	\$1,671,973	●	\$1,696,680	●	\$1,755,880	●	\$1,753,292	\$2,013,339
Oct/Jan	●	\$1,657,962	●	\$1,709,886	●	\$1,727,470	●	\$2,119,432	\$2,082,075
Nov/Feb	●	\$1,698,210	●	\$1,710,399	●	\$1,833,738	●	\$1,905,769	\$2,190,869
Dec/Mar	●	\$2,131,881	●	\$2,135,659	●	\$2,236,151	●	\$2,412,660	\$2,774,401
Jan/Apr	●	\$1,269,088	●	\$1,362,722	●	\$1,411,552	●	\$1,580,797	\$1,713,120
Total YTD Actual		\$20,093,525		\$20,442,099		\$20,852,627		\$22,151,031	\$25,011,362
Annual Budget		\$16,543,750		\$18,675,000		\$20,120,000		\$20,300,000	\$21,475,800
Over/(Under) Budget		\$3,549,775		\$1,767,099		\$732,627		\$1,851,031	\$3,535,562
% of Budget		121.5%		109.5%		103.6%		109.1%	116.5%

YTD vs. Last Year	
YTD Actual	\$25,011,362
Last Year	\$22,151,031
\$ Difference	● \$2,860,331
% Difference	12.9%

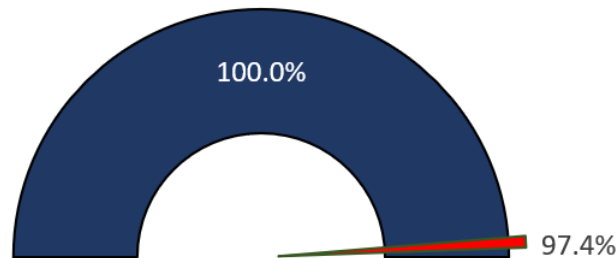
vs. Seasonally Adjusted Budget	
YTD Actual	\$25,011,362
YTD Adj. Budget	\$21,475,800
\$ Difference	● \$3,535,562
% Difference	16.5%

Amusement Tax

Effective May 1, 2018 the Village increased the tax on amusements from 3% to 4% on receipts within Village boundaries. The Village has approximately 15 Amusement Taxpayers. Prior to this increase, Amusement Tax had not been adjusted in nearly 20 years. The largest Amusement Tax generator is Six Flags Great America.

Amusement Tax as a % of Budget Complete

(Seasonally Adjusted Budget)



331601 - AMUSEMENT TAX										
Sales/Receipt Month		FY2022		FY2023		FY2024		FY2025		FY2026
Apr/May	●	\$131,641	●	\$54,391	●	\$327,477	●	\$460,713	●	\$324,737
May/Jun	●	\$299,589	●	\$434,934	●	\$421,240	●	\$261,771	●	\$359,752
Jun/Jul	●	\$626,845	●	\$751,173	●	\$634,331	●	\$758,605	●	\$608,297
Jul/Aug	●	\$623,910	●	\$602,563	●	\$473,312	●	\$534,173	●	\$569,758
Aug/Sep	●	\$501,474	●	\$408,480	●	\$480,024	●	\$479,735	●	\$577,158
Sep/Oct	●	\$342,278	●	\$328,061	●	\$336,623	●	\$486,332	●	\$306,385
Oct/Nov	●	\$436,306	●	\$545,527	●	\$558,935	●	\$510,319	●	\$499,584
Nov/Dec	●	\$133,937	●	\$184,877	●	\$126,099	●	\$193,903	●	\$87,440
Dec/Jan	●	\$160,425	●	\$132,972	●	\$113,074	●	\$156,180	●	\$269,590
Jan/Feb	●	\$107,423	●	\$83,762	●	\$94,936	●	\$111,837	●	\$109,563
Feb/Mar	●	\$33,376	●	\$92,621	●	\$103,440	●	\$141,319	●	\$231,343
Mar/Apr	●	\$207,419	●	\$106,841	●	\$128,351	●	\$173,827	●	\$97,959
Total YTD Actual		\$3,604,625		\$3,726,203		\$3,797,842		\$4,268,713		\$4,041,567
Annual Budget		\$2,931,250		\$3,600,000		\$3,500,000		\$3,700,000		\$4,150,000
Over/(Under) Budget		\$673,375		\$126,203		\$297,842		\$568,713		(\$108,433)
% of Budget		123.0%		103.5%		108.5%		115.4%		97.4%

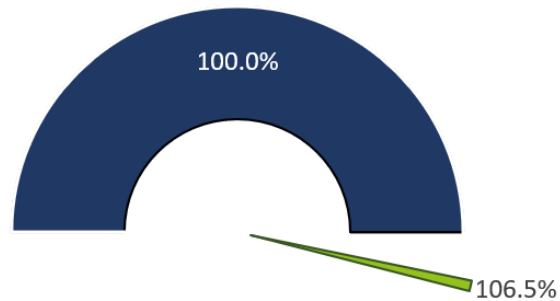
YTD vs. Last Year	
YTD Actual	\$4,041,567
Last Year	\$4,268,713
\$ Difference	(\$227,147)
% Difference	-5.3%

vs. Seasonally Adjusted Budget	
YTD Actual	\$4,041,567
YTD Adj. Budget	\$4,150,000
\$ Difference	(\$108,433)
% Difference	-2.6%

Food & Beverage Tax

Food & Beverage Tax is 1% on meals prepared for immediate consumption as well as packaged liquor. The Village has approximately 168 Food & Beverage taxpayers. With the change in internet sales, the Village also collects Food & Beverage Tax from online delivery services such as Uber Eats and Grub Hub.

Food & Beverage Tax as a % of Budget Complete
(Seasonally Adjusted Budget)



331609 - FOOD & BEVERAGE TAX										
Sales/Receipt Month		FY2022		FY2023		FY2024		FY2025		FY2026
Apr/May	●	\$159,904	●	\$184,336	●	\$213,196	●	\$205,764	●	\$216,238
May/Jun	●	\$196,386	●	\$219,948	●	\$239,774	●	\$236,486	●	\$279,761
Jun/Jul	●	\$231,931	●	\$252,603	●	\$286,763	●	\$283,586	●	\$321,003
Jul/Aug	●	\$256,543	●	\$265,756	●	\$287,869	●	\$284,199	●	\$313,902
Aug/Sep	●	\$227,495	●	\$232,465	●	\$269,067	●	\$266,341	●	\$311,171
Sep/Oct	●	\$196,202	●	\$216,648	●	\$231,998	●	\$235,321	●	\$235,508
Oct/Nov	●	\$183,890	●	\$229,076	●	\$232,473	●	\$249,102	●	\$256,537
Nov/Dec	●	\$188,858	●	\$197,350	●	\$197,912	●	\$231,696	●	\$222,162
Dec/Jan	●	\$200,411	●	\$220,793	●	\$237,205	●	\$299,907	●	\$249,940
Jan/Feb	●	\$153,565	●	\$169,505	●	\$177,315	●	\$165,985	●	\$208,744
Feb/Mar	●	\$158,612	●	\$186,953	●	\$200,090	●	\$197,692	●	\$191,086
Mar/Apr	●	\$188,845	●	\$204,488	●	\$211,228	●	\$228,876	●	\$228,232
Total YTD Actual		\$2,342,643		\$2,579,921		\$2,784,891		\$2,884,954		\$3,034,286
Annual Budget		\$1,807,500		\$2,130,000		\$2,400,000		\$2,650,000		\$2,850,000
Over/(Under) Budget		\$535,143		\$449,921		\$384,891		\$234,954		\$184,286
% of Budget		129.6%		121.1%		116.0%		108.9%		106.5%

YTD vs. Last Year	
YTD Actual	\$3,034,286
Last Year	\$2,884,954
\$ Difference	● \$149,332
% Difference	5.2%

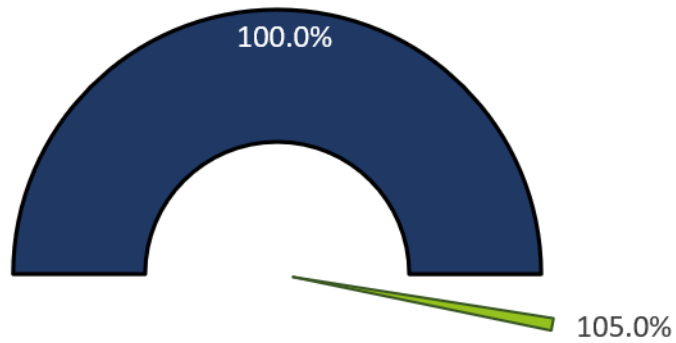
vs. Seasonally Adjusted Budget	
YTD Actual	\$3,034,286
YTD Adj. Budget	\$2,850,000
\$ Difference	● \$184,286
% Difference	6.5%

Hotel Tax

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

Hotel Tax as a % of Budget Complete

(Seasonally Adjusted Budget)



331607 - HOTEL TAX									
Sales/Receipt Month	FY2022		FY2023		FY2024		FY2025		FY2026
Apr/May	● \$145,262	●	\$214,881	●	\$255,838	●	\$237,127	●	\$262,611
May/Jun	● \$145,145	●	\$160,625	●	\$173,133	●	\$104,076	●	\$184,380
Jun/Jul	● \$166,758	●	\$211,299	●	\$205,144	●	\$279,546	●	\$231,304
Jul/Aug	● \$271,769	●	\$265,719	●	\$234,937	●	\$249,733	●	\$266,603
Aug/Sep	● \$204,198	●	\$214,264	●	\$195,075	●	\$85,784	●	\$236,797
Sep/Oct	● \$126,830	●	\$143,174	●	\$144,001	●	\$248,389	●	\$143,122
Oct/Nov	● \$149,568	●	\$167,448	●	\$155,912	●	\$131,332	●	\$186,441
Nov/Dec	● \$151,322	●	\$174,221	●	\$142,254	●	\$253,582	●	\$54,786
Dec/Jan	● \$178,579	●	\$198,811	●	\$208,053	●	\$194,201	●	\$318,717
Jan/Feb	● \$138,042	●	\$32,612	●	\$75,409	●	\$38,087	●	\$195,577
Feb/Mar	● \$149,119	●	\$310,336	●	\$290,102	●	\$290,266	●	\$163,286
Mar/Apr	● \$238,660	●	\$252,384	●	\$247,068	●	\$249,854	●	\$276,351
Total YTD Actual	\$2,065,253		\$2,345,776		\$2,326,925		\$2,361,976		\$2,519,976
Annual Budget	\$1,475,000		\$1,800,000		\$2,250,000		\$2,400,000		\$2,400,000
Over/(Under) Budget	\$590,253		\$545,776		\$76,925		(\$38,024)		\$119,976
% of Budget	140.0%		130.3%		103.4%		98.4%		105.0%

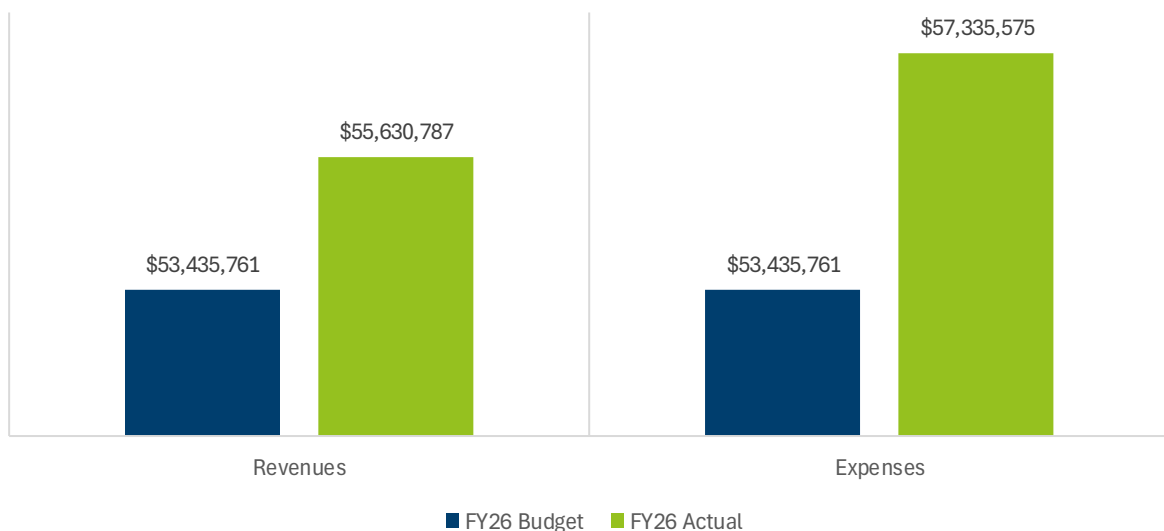
YTD vs. Last Year	
YTD Actual	\$2,519,976
Last Year	\$2,361,976
\$ Difference	● \$158,000
% Difference	6.7%

vs. Seasonally Adjusted Budget	
YTD Actual	\$2,519,976
YTD Adj. Budget	\$2,400,000
\$ Difference	● \$119,976
% Difference	5.0%

110 – General Fund

The 110 - General Fund is the primary operating fund of the Village and accounts for the vast majority of non-water & sewer related activity. Activities accounted for in the General Fund include Police, Fire, Public Works (non-Water & Sewer), Community Development and Administration.

	FY25 Actual	FY26 Budget	FY26 Actual	FY26 Budget vs. Actual	FY26 % of Budget
110 - General Fund	\$1,411,921	\$0	-\$1,704,788	\$1,704,788	
Revenues	\$53,904,780	\$53,435,761	\$55,630,787	-\$2,195,026	104.1%
30 - Major Revenues	\$38,914,592	\$38,341,468	\$42,163,002	-\$3,821,534	↑ 110.0%
31 - Taxes	\$1,834,079	\$1,925,000	\$1,836,276	\$88,724	→ 95.4%
32 - Licenses & Permits	\$1,183,883	\$1,300,000	\$1,048,917	\$251,083	↓ 80.7%
33 - Intergovernmental	\$1,388,958	\$1,161,534	\$759,212	\$402,322	↓ 65.4%
34 - Charges for Services	\$9,256,778	\$8,933,857	\$8,927,552	\$6,305	→ 99.9%
35 - Fines & Forfeitures	\$1,025,296	\$1,145,000	\$762,581	\$382,419	↓ 66.6%
36 - Invests & Contribs	\$27,050	\$27,500	\$39,381	-\$11,881	↑ 143.2%
39 - Other Sources	\$274,143	\$300,000	\$93,866	\$206,134	↓ 31.3%
53 - Fund Transfers In	\$0	\$301,402	\$0	\$301,402	↓ 0.0%
Expenses	\$52,492,859	\$53,435,761	\$57,335,575	-\$3,899,814	107.3%
41 - Salaries & Wages	\$26,053,241	\$27,821,520	\$27,077,353	\$744,167	↑ 97.3%
42 - Employee Benefits	\$8,195,544	\$8,489,758	\$8,569,881	-\$80,123	→ 100.9%
43 - Prof & Tech Services	\$857,005	\$2,190,431	\$1,498,373	\$692,058	↑ 68.4%
44 - Contractual Services	\$1,930,037	\$2,848,432	\$2,439,619	\$408,813	↑ 85.6%
45 - Other Cont. Services	\$1,330,877	\$2,154,485	\$1,614,165	\$540,320	↑ 74.9%
46 - Supplies	\$930,423	\$1,202,265	\$1,026,801	\$175,464	↑ 85.4%
47 - Capital	\$0	\$67,000	\$32,071	\$34,929	↑ 47.9%
49 - Other Financing Uses	\$292,901	\$431,250	\$346,691	\$84,559	↑ 80.4%
54 - Fund Transfers Out	\$12,902,830	\$8,230,620	\$14,730,620	-\$6,500,000	↓ 179.0%



Revenues

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

- **32 – Licenses & Permits** is under budget due to the timing of general building permits associated with large developments.
- **33 – Intergovernmental** is under budget due to lower Replacement Tax and Use Tax. Legislation related to internet and out of state purchases were previously subject to Use Tax are now required to pay the full rate based on the destination of the sale.
- **35 – Fines & Forfeitures** is under budget due to red light camera revenue. Several intersections were off-line for intersection work and the Village discontinued the program.
- **39 – Other Sources** is under budget due to lower workers compensation and damage to Village property reimbursements.
- **53 – Fund Transfers In** is under budget due to the timing of closing the 911 Fund.

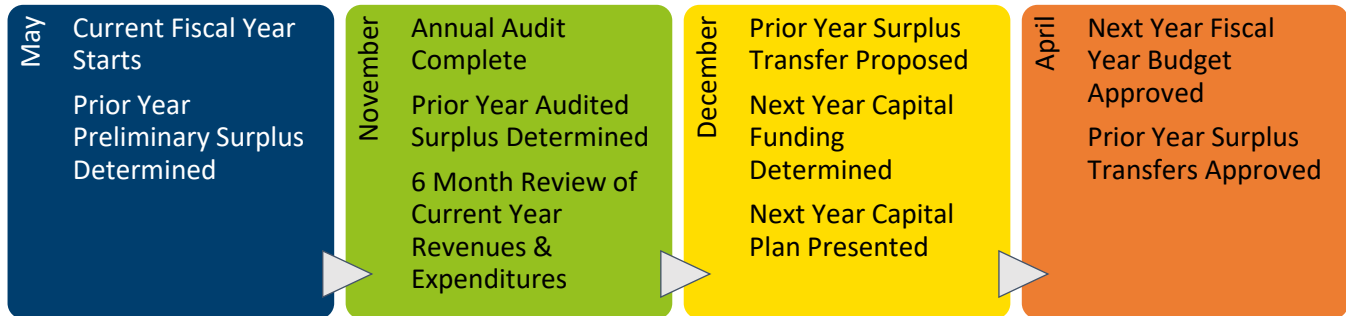
Expenditures

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

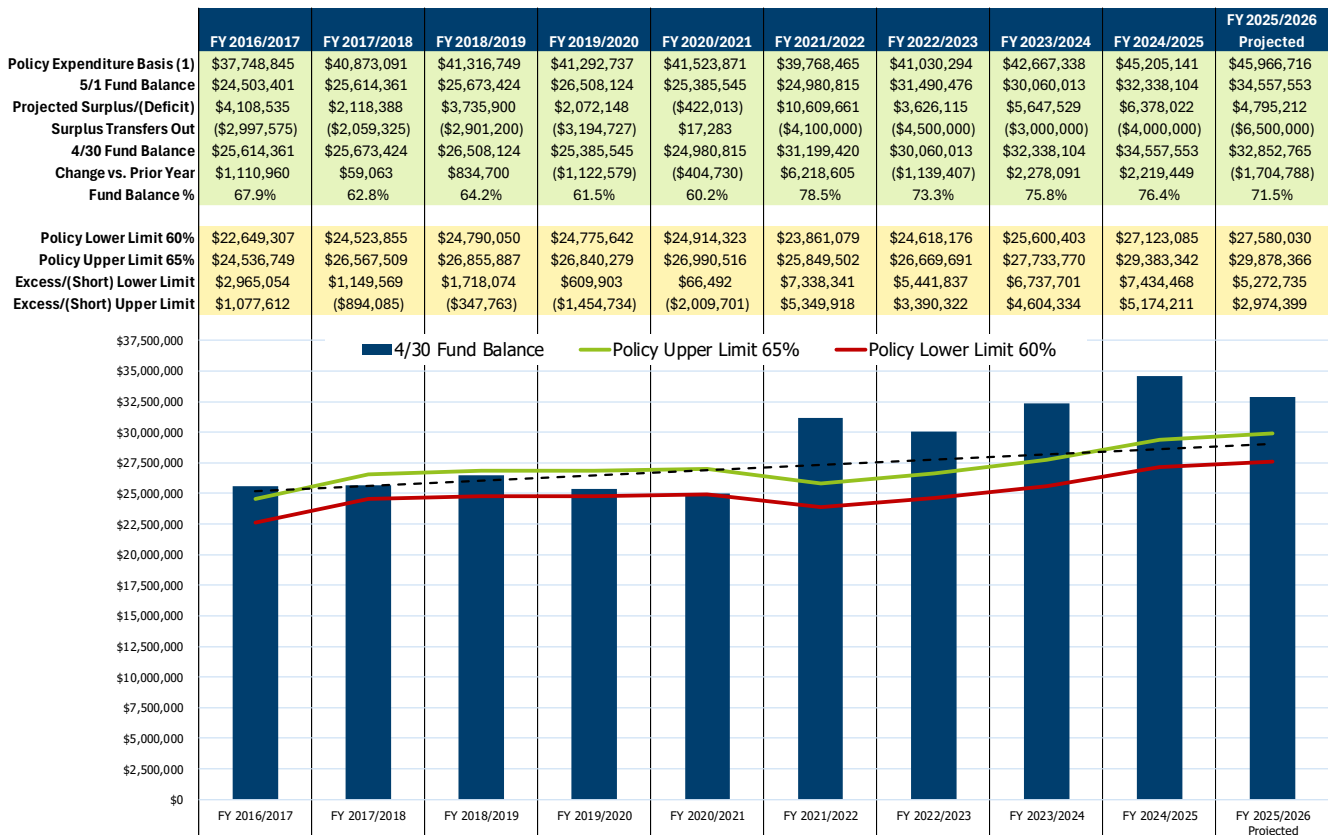
- **42 – Employee Benefits** is over budget due to greater than anticipated FICA and IMRF costs due to retirements and end of service payouts largely attributed to communications.
- **54 – Fund Transfers Out** is over due to the surplus transfer for capital of \$6.5 million.

General Fund - Fund Balance

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



The FY 2024/2025 audited ending fund balance is \$34.56 million or approximately 76.4% of FY 2025/2026 budgeted expenditures less transfers. This is well above the policy limit and insures against revenue interruptions. Excess FY 2024/2025 Fund balance of \$6.5 million was approved for transfer to the 131 - Capital Improvement Fund (\$4.00 million), 211 - Golf Course Fund (\$1.5 million) and 221 - Water & Sewer Capital Fund (\$1.00 million) with the FY 2026/2027 Annual Budget. The projected ending balance on April 30, 2026 is \$32.85 million or 71.5% of next year budgeted expenditures less transfers out. Assuming no revenue interruptions or unanticipated expenditures through the first three quarters of FY 2026/2027, approximately \$3.0 million would be available for transfer.



221&223 – Water & Sewer Funds

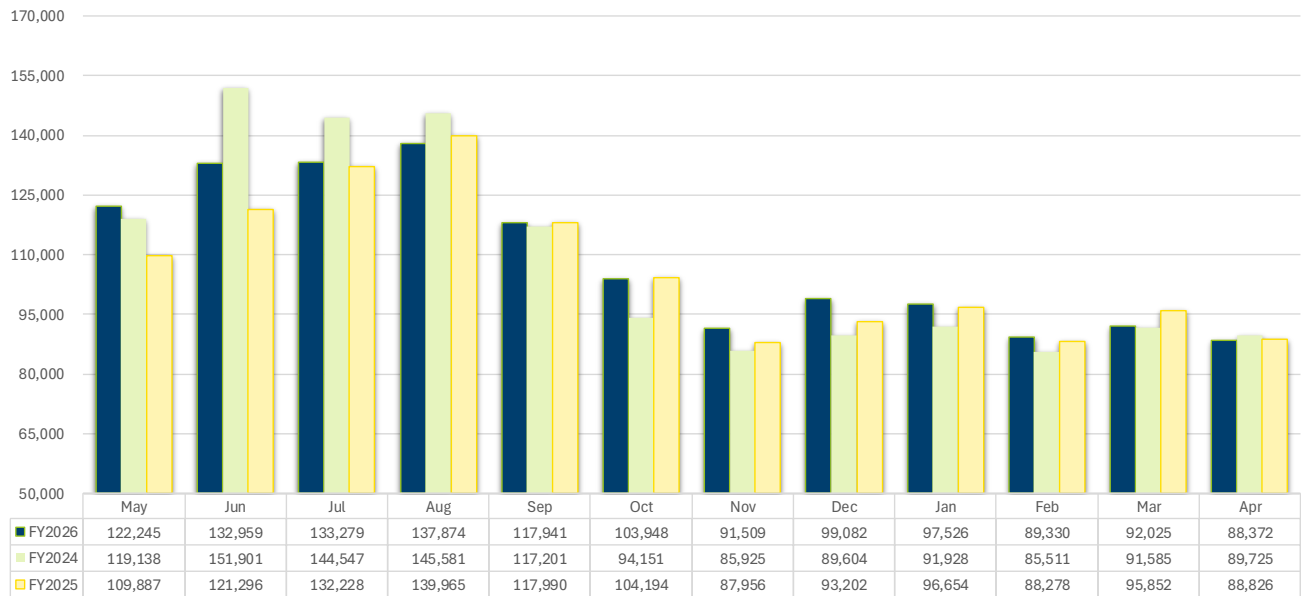
Water Usage

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

Usage vs. Last Year	Precipitation vs. Last Year
↑ 2.3%	↓ -15.1%

1,000's Gallons Purchased From CLCJAWA										
	FY2024		FY2025		FY2026		Usage Variances		Precipitation Variances	
	Actual	Precipitation	Actual	Precipitation	Actual	Precipitation	Month vs.	YTD vs.	Month vs.	YTD vs.
Month	(1,000's Gallons)	(inches)	(1,000's Gallons)	(inches)	(1,000's Gallons)	(inches)	Prior Year	FY2025	Prior Year	FY2025
Total	1,306,797	23.43	1,276,328	30.06	1,306,090	25.53	2.3%		-15.1%	
May	119,138	0.91	109,887	6.01	122,245	2.45	11.2%	11.2%	-59.2%	-59.2%
Jun	151,901	1.47	121,296	6.30	132,959	2.10	9.6%	10.4%	-66.7%	-63.0%
Jul	144,547	4.27	132,228	7.72	133,279	6.02	0.8%	6.9%	-22.0%	-47.2%
Aug	145,581	2.48	139,965	2.18	137,874	1.82	-1.5%	4.6%	-16.5%	-44.2%
Sep	117,201	4.53	117,990	1.52	117,941	1.46	0.0%	3.7%	-3.9%	-41.6%
Oct	94,151	3.12	104,194	1.25	103,948	2.62	-0.2%	3.1%	109.6%	-34.1%
Nov	85,925		87,956		91,509		4.0%	3.2%	0.0%	-34.1%
Dec	89,604		93,202		99,082		6.3%	3.5%	0.0%	-34.1%
Jan	91,928		96,654		97,526		0.9%	3.3%	0.0%	-34.1%
Feb	85,511		88,278		89,330		1.2%	3.1%	0.0%	-34.1%
Mar	91,585	3.27	95,852	3.54	92,025	3.93	-4.0%	2.5%	11.0%	-28.5%
Apr	89,725	3.38	88,826	1.54	88,372	5.13	-0.5%	2.3%	233.1%	-15.1%

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



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

	FY25 Actual	FY26 Budget	FY26 Actual	FY26 Budget vs. Actual	FY26 % of Budget
221 & 223 - Water & Sewer Operating and Capital Fund					
Revenues	\$10,863,737	\$10,826,000	\$13,119,308	-\$2,293,308	121.2%
30 - Major Revenues	\$193,997	\$150,000	\$186,977	-\$36,977	↑ 124.7%
32 - Licenses & Permits	\$96,637	\$80,000	\$76,421	\$3,579	→ 95.5%
33 - Intergovernmental	\$0	\$0	\$750,000	-\$750,000	↓ 0.0%
34 - Charges for Services	\$10,153,930	\$10,463,000	\$10,978,241	-\$515,241	↑ 104.9%
35 - Fines & Forfeitures	\$158,796	\$125,000	\$127,341	-\$2,341	↑ 101.9%
39 - Other Sources	\$10,377	\$8,000	\$328	\$7,672	↓ 4.1%
53 - Fund Transfers In	\$250,000	\$0	\$1,000,000	-\$1,000,000	↓ 0.0%
Expenses	\$10,739,027	\$13,149,990	\$12,351,521	\$798,469	93.9%
41 - Salaries & Wages	\$1,199,504	\$1,426,020	\$1,466,017	-\$39,997	→ 102.8%
42 - Employee Benefits	\$418,068	\$439,607	\$465,473	-\$25,866	↓ 105.9%
43 - Prof & Tech Services	\$2,035	\$18,810	\$11,654	\$7,156	↑ 62.0%
44 - Contractual Services	\$2,988,273	\$3,325,154	\$3,372,782	-\$47,628	→ 101.4%
45 - Other Cont. Services	\$551,585	\$324,205	\$446,201	-\$121,996	↓ 137.6%
46 - Supplies	\$354,000	\$367,970	\$301,850	\$66,120	↑ 82.0%
47 - Capital	\$2,909,479	\$4,651,500	\$3,690,819	\$960,681	↑ 79.3%
48 - Debt Service	\$564,248	\$564,248	\$564,248	\$0	↑ 100.0%
49 - Other Financing Uses	\$811,940	\$852,537	\$852,537	\$0	↑ 100.0%
54 - Fund Transfers Out	\$939,895	\$1,179,940	\$1,179,940	\$0	↑ 100.0%

Legend: ■ FY26 Budget ■ FY26 Actual

Category	FY26 Budget	FY26 Actual
Revenues	\$53,435,761	\$55,630,787
Expenses	\$53,435,761	\$57,335,575

Revenues

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

- **33 – Intergovernmental** is over budget due to the timing of a grant associated with prior year watermain projects redirected from potential intersection signalization.
- **39 – Other Sources** is under budget due to lower damage to Village property reimbursements.
- **53 – Fund Transfers In** is over budget due to the capital transfer from the General Fund.

Expenditures

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

- **42 – Employee Benefits** is over budget due to the timing of the market study adjustments done post budget.
- **45 – Other Contractual Services** is over budget due to bank charges which has since been addressed with the vendor.

Fund Balance

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

Other Major Governmental Funds

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

	FY25 Actual	FY26 Budget	FY26 Actual	FY26 Budget vs. Actual	FY26 % of Budget
122 - Motor Fuel Tax Fund					
Revenues	\$1,427,215	\$1,391,417	\$1,478,588	-\$87,171	106.3%
30 - Major Revenues	\$39,892	\$25,000	\$72,494	-\$47,494	↑ 290.0%
33 - Intergovernmental	\$1,387,324	\$1,366,417	\$1,406,094	-\$39,677	↑ 102.9%
Expenses	\$1,350,000	\$1,429,670	\$1,384,670	\$45,000	96.9%
44 - Contractual Services	\$1,350,000	\$1,429,670	\$1,384,670	\$45,000	↑ 96.9%

■ FY26 Budget ■ FY26 Actual

Category	FY26 Budget	FY26 Actual
Revenues	\$53,435,761	\$55,630,787
Expenses	\$53,435,761	\$57,335,575

Revenues

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

- All revenues are within at least 5% of budget.

Expenditures

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

- All expenses are within budget.

Fund Balance

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

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

	FY25 Actual	FY26 Budget	FY26 Actual	FY26 Budget vs. Actual	FY26 % of Budget
131 - Capital Improvement Fund					
Revenues	\$9,337,703	\$6,000,000	\$10,929,495	-\$4,929,495	182.2%
30 - Major Revenues	\$6,151,790	\$5,950,000	\$6,846,478	-\$896,478	↑ 115.1%
33 - Intergovernmental	\$226,587	\$0	\$8,170	-\$8,170	↓ 0.0%
39 - Other Sources	\$82,398	\$50,000	\$74,847	-\$24,847	↑ 149.7%
53 - Fund Transfers In	\$2,876,928	\$0	\$4,000,000	-\$4,000,000	↓ 0.0%
Expenses	\$8,871,609	\$12,871,500	\$10,777,459	\$2,094,041	83.7%
43 - Prof & Tech Services	\$559,915	\$1,320,000	\$943,091	\$376,909	↑ 71.4%
44 - Contractual Services	\$3,306,120	\$6,440,000	\$5,668,853	\$771,147	↑ 88.0%
47 - Capital	\$3,887,874	\$3,877,000	\$2,931,016	\$945,985	↑ 75.6%
54 - Fund Transfers Out	\$1,117,700	\$1,234,500	\$1,234,500	\$0	↑ 100.0%

The chart displays two groups of bars. The first group, labeled 'Revenues', shows a blue bar for the FY26 Budget at \$53,435,761 and a green bar for the FY26 Actual at \$55,630,787. The second group, labeled 'Expenses', shows a blue bar for the FY26 Budget at \$53,435,761 and a green bar for the FY26 Actual at \$57,335,575. A legend at the top indicates that blue represents the FY26 Budget and green represents the FY26 Actual.

Revenues

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

- All revenues are within at least 5% of budget. Notable positive variances include the \$4.0 million capital transfer from the General Fund.

Expenditures

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

- All expenses are within budget.

Fund Balance

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

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

Non-Major Governmental Funds

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

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

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

The **125 – Economic Development Fund** was established to segregate economic development activities out of the General Fund and build a reserve to be used for future development opportunities. Expenditures in the Fund include rebate agreements and grant programs. Funding comes from a transfer from the General Fund.

Other Proprietary Funds

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

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

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

Fiduciary Funds

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

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

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

Additional Financial Information

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

Strategic Plan

<https://www.gurnee.il.us/government/open-data/strategic-plan>

Multi-Year Capital Plan

<https://www.gurnee.il.us/government/open-data/multi-year-capital-plan>

Budgets

<https://www.gurnee.il.us/government/open-data/annual-budget>

Financial Status Reports

<https://www.gurnee.il.us/government/open-data/financial-status-reports>

Annual Comprehensive Financial Reports (Audit)

<https://www.gurnee.il.us/government/open-data/acfr>

Popular Annual Financial Reports (PAFR)

<https://www.gurnee.il.us/government/open-data/popular-annual-financial-report>

Village Hall

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

Police Station

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

Fire Station No. 1

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

Fire Station No. 2

6581 Dada Drive
Non-Emergency: (847) 599-6600
Office Hours: M-F, 7:30 a.m. - 4:00 p.m.

Fire Station No. 3

5330 Manchester Drive
Non-Emergency: (847) 599-6600
Office Hours: M-F, 7:30 a.m. - 4:00 p.m.

Public Works Facility

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

Connect with the Village

The Village of Gurnee provides many opportunities for visitors and residents to receive information on Village-related activities including meeting notices and agendas, construction updates, bids & RFP's, and press releases.

Emergency Notifications

Communication is a priority in a major emergency. To make sure that you are ready to receive important communications about emergencies and incidents as they happen, please sign up for the Village's emergency notification service, connect by clicking [HERE](#).

Village of Gurnee E-News

Sign up for updates and announcements on various topics, delivered to your email inbox. This form is found on the Village website [HERE](#).

Village of Gurnee Website

Visit the official Village of Gurnee website at: <https://www.gurnee.il.us> for current information on Village events and services. The site also allows individuals to sign up for various E-News lists on a variety of topics.

Village of Gurnee Public Portal

Also available on the Village Website, residents and visitors can access our [Public Portal](#) for submitting service requests, requesting information, asking a question for Village staff, or submitting a Freedom of Information Act (FOIA) Request. The Portal includes requests ranging from reporting potholes, graffiti, and street light outages, to vacation house watch, overnight parking, and updating, starting, or ending water and sewer accounts.

***Keeping Posted* Newsletter**

The Village of Gurnee publishes the *Keeping Posted* newsletter on a quarterly basis. The newsletter is mailed to every resident, but also available for download [HERE](#).

The Village on Social Media

The Village of Gurnee is active on several social media platforms:

[Facebook](#)

[Gurnee Police Department Facebook](#)

[X \(Formerly Twitter\)](#)

[Instagram](#)

[YouTube](#)

[NextDoor](#)

[LinkedIn](#)