CITY OF
Crystal Lake Illinois

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE EIGHT MONTHS ENDED DECEMBER 31, 2024

CITY OF CRYSTAL LAKE, ILLINOIS

ANNUAL COMPREHENSIVE
FINANCIAL REPORT

For the Eight Months Ended
December 31, 2024

Prepared by the Finance Department

Jodie Hartman
Director of Finance

CITY OF CRYSTAL LAKE, ILLINOIS
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INTRODUCTORY SECTION

CITY OF
Crystal Lake
ILLINOIS

June 11, 2025

Mayor Haig Haleblian
Members of the City Council
Citizens of the City of Crystal Lake, Illinois

We submit to you the Annual Comprehensive Financial Report of the City of Crystal Lake, Illinois, for the eight months ended December 31, 2024. State law requires that all general-purpose local governments publish within six months of the close of each fiscal year complete a set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report (ACFR) of the City of Crystal Lake for the eight months ended December 31, 2024.

This report consists of management's representations concerning the finances of the City of Crystal Lake. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis to make these representations, management of the City of Crystal Lake has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Crystal Lake's financial statements in conformity with GAAP. The Finance Department takes responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including disclosures. We believe the information, as presented, is accurate in all material respects, is presented in a manner designed to fairly set forth the financial position of the City and the results of its operations as measured by the financial activity of its various funds, and includes all the disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs.

The City of Crystal Lake's financial statements have been audited by Sikich CPA LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Crystal Lake for the eight months ended December 31, 2024 are free of material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified ("clean") opinion that the City of Crystal Lake's financial statements for the eight months ended December 31, 2024,

are fairly presented in conformity with GAAP. This "clean" opinion is the highest obtainable opinion, a statement of not only reliability of the financial information, but also to the high level of professionalism and integrity of the staff. The independent auditor's report is presented as the first component of the financial section of this report.

The City of Crystal Lake's Annual Comprehensive Financial Report presents the Management's Discussion and Analysis (MD&A), basic financial statements and required supplemental information. The MD&A provides an analytical overview of the City's financial activity. Included in the basic financial statements are the government-wide financial statements, fund financial statements and notes to the financial statements. The required supplementary information presents the budgetary comparison schedules and other schedules. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

PROFILE OF THE CITY OF CRYSTAL LAKE

The City of Crystal Lake, incorporated in 1914, is in the southeastern portion of McHenry County, which is the furthest northwestern county in the Chicago metropolitan region. The City of Crystal Lake currently occupies a land area of 19.24 square miles and serves a population of 40,269 according to the 2020 Decennial Census. The City of Crystal Lake is empowered by State Statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Council.

The City of Crystal Lake has operated under the Council-Manager form of government since 1957. Policy-making and legislative authority are vested in a governing council consisting of the Mayor and six other members. The City Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the City Manager. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments, including the City Attorney. The City Council is elected at-large on a non-partisan basis. Council members serve four-year staggered terms.

This report encompasses all funds of the City of Crystal Lake. The City of Crystal Lake provides a full range of services, including police and fire protection; recreation; construction and maintenance of highways, streets, and infrastructure; maintenance of the public storm drainage system; water, sanitary sewer service and wastewater treatment; and growth management, planning and development control through the activities of the Community Development Department. In addition to these general governmental activities, the City has certain information relative to the public library (a discretely presented component unit) and police and fire pension systems (blended component units). Therefore, these activities have been included in the City of Crystal Lake's financial reporting entity.

The annual budget serves as the foundation for the City of Crystal Lake's financial planning and control. All agencies of the City of Crystal Lake are required to submit requests for appropriation to the City Manager. The City Manager and Director of Finance use these requests as the starting point for developing a proposed budget. The City Manager then presents this proposed budget to the City Council for review. The City Council is required to hold a public hearing on the proposed

budget and to adopt a final budget by no later than the close of the City of Crystal Lake's prior fiscal year.

In order to achieve a transition from an April 30th year end to a December 31st year end, the City operated a shortened, 8-month fiscal period which was called Fiscal Year 2024B. This transitional fiscal year (FY 2024B) started on May 1, 2024 and ended on December 31, 2024 and had both its own budget and annual financial audit. The budget is prepared by fund and department. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Crystal Lake operates.

The City of Crystal Lake enjoys a rather stable economic environment. With inflation, supply chain issues, and geopolitical events having a substantial effect on the national economy, the City has been able to withstand the financial consequences without reducing services. The largest single source of revenue is sales tax, which reflects the current economic trends with the attractions of new retail and restaurants.

Development and property management represents a significant challenge and priority for the City. Utilization of impact fees and sophisticated policies requiring development to fund its own infrastructure cost illustrate the fact that the City has growth management initiatives. The City's impact fees and growth-funded infrastructure requirements have ensured that the City's taxpayers are not burdened by development.

New construction in the residential and commercial sectors continues to add value to the City. Of particular note, Lennar, the nation's largest homebuilder, almost completed construction of a 500-unit residential development, Woodlore Estates, on the northeast section of Crystal Lake. The Springs at Three Oaks, a 280 unit luxury apartment complex, was completed in 2022. Enclave, a 99 unit luxury rental project was completed in 2024 and Redwood, a 304 rental ranch townhome community completed 94 units as part of phase one in early 2025 and is underway with phase two and three and will be fully completed in 2026. More housing is currently underway including Clover Communities, a 121-unit age-restricted independent living apartment complex; Woodlore Townes, a 47-unit townhome community, and Woodlore Townes II, a 55-unit townhome community. In addition, Water's Edge is underway with 240 apartment units, 20 townhome units, and 42,300 square feet of retail space. Three of the 20-unit apartment buildings have received certificates of occupancy. Sunshine Apartments will also begin construction of a 24-unit age-restricted housing development, and Pathway Court Apartments, a 220-unit apartment development will also begin construction this year.

Despite substantial competition that has occurred from commercial growth in many of the areas surrounding Crystal Lake and the difficult retail environment for certain players in the very competitive Chicago arena, the retail sector has remained stable and has grown slightly over the past year. The City has continued to maintain strength as a retail base for serving regular

commercial needs for the immediate City population, and has continued as a regional point for commercial activities.

Route 14 serves as a retail corridor for the City of Crystal Lake, with a variety of tenants occupying space in several shopping centers. In 2024, 293,305 square feet of new commercial space was occupied. The Route 14 corridor provides a variety of large national tenants as well as dining options ranging from fine dining to fast casual.

The downtown sector continues to be a vibrant commercial destination, with its own unique dining, specialty shops, services and entertainment options. The downtown district is home to the Raue Center for the Arts, an 800-seat theatre that provides a unique draw for the downtown area as the largest performing arts theater in McHenry County. The City is enhancing the downtown area by renovating Depot Park to create an enhanced gathering space to draw more individuals and events into the area.

Crystal Lake continues to be an attractive place to live and conduct business. The City is fortunate to have two Metra train stations within the corporate limits. In 2024, Crystal Lake welcomed seventy-six new businesses. The City is also home to several large auto retailers, almost all of which over the past decade have completed substantial renovations or expansions of their dealerships. M'Lady Nissan is currently underway with improvements to their dealership which will increase the showroom floor and their ability to service vehicles.

Once again, the City has continued to have a very low property tax rate for municipal services compared to other municipalities in southeastern McHenry County. The continued development of the City's non-residential tax base and the stable retail sector of the community have facilitated this position. The City's retail base helps defray the cost of most General Fund supported services, such as police protection, street maintenance, brush and leaf pickup, and other services. The City has continued to maintain strength as a retail base for serving regular commercial needs for the immediate City population and has continued as a regional point for commercial activities.

LONG-TERM FINANCIAL PLANNING

The City of Crystal Lake is well-positioned for growth, both geographically and economically. Located 50 miles northwest of Chicago, Crystal Lake benefits from a continually growing population and workforce. The City's median household income is approximately 34% above the national average and approximately 29% above the State average. Over 42% of residents twenty-five or older have college degrees, compared to the State and National averages of 37% and 35% respectively.

Crystal Lake, like all municipalities, must continually evolve to meet the changing needs of its citizens. Because the City is a service provider, its main expenditures are personnel-related. City staff continuously examine municipal services for efficiency, effectiveness, usefulness and sustainability, and develops options and strategies that enable the City to match resources (financial, physical and human) to the desired level of service.

The City is committed to maintaining a low property tax rate. On December 3, 2024, the Crystal Lake City Council adopted a property tax levy ordinance that maintained a zero General Fund levy, which has been in place since 1997. The City's overall levy included a modest overall

increase of 3.4%, primarily attributable to increased funding to Fire Rescue Department and the City's pension obligations. With overall growth to the City's tax base from new construction, the impact to property owners was a rate decrease of 8% for the City's levy. The City takes pride in minimizing the use of property taxes, relying upon other revenue sources for funding both operations and capital expenditures.

The City sponsors single employer defined benefit pension plans for its sworn police officers and for its sworn firefighters. Each year, an independent actuary calculates the amount of the annual contribution. As a matter of policy, the City fully funds each year's annual required contributions as determined by the actuary. As of December 31, 2024, the Police Pension plan's fiduciary net position as a percentage of the total pension liability was 62.06%. As of December 31, 2024, the Fire Pension plan's fiduciary net position as a percentage of the total pension liability was 78.87%. Unfunded amounts are being systematically funded as part of the annual required contribution until 2040 when each fund's assets shall be equal to its pension obligations.

The City also provides pension benefits for its non-public safety employees. These benefits are provided through a state-wide plan that is managed by the Illinois Municipal Retirement Fund (IMRF). Additional information on the City's pension arrangements can be found in Note 14 of the financial statements. As of December 31, 2023, the date of the most recent actuarial valuation, the IMRF plan's fiduciary net position as a percentage of the total pension liability was 90.52%.

In 2022, Standard and Poor's upgraded the City to a AAA stable rating and affirmed that rating in March 2025. The City of Crystal Lake's AAA credit rating represents the highest credit rating that can be earned by an organization and has been assigned to very few governments within the State of Illinois. According to S&P, the City of Crystal Lake "embodies many characteristics of a 'AAA' issuer, including a diverse economy that is independently strong and growing…with consistently stable financial operating results with no discernible budgetary pressures… and a sophisticated and knowledgeable management team that has strong planning practices." At the end of the current fiscal period, the City had $41.49 million of debt instruments outstanding. The City also has $7.33 million relating to Special Service Area obligations which are not the financial responsibility of the City. Under current state statute, the City has no legal debt limit on general obligation debt.

FINANCIAL POLICIES

The City of Crystal Lake's Financial Policies provide the basic framework for the fiscal management of the City. The policies provide guidelines for evaluating both current activities and proposals for future programs. Most of the policies represent longstanding principles, traditions and practices that have guided the City in the past and have helped maintain the City's financial stability. The following are detailed in the City of Crystal Lake's Financial Policies:

- Purchasing
- Travel and Training
- City Credit Card
- Surplus Personal Property Disposal
- Accounts Receivable and Collections
- Grant Management

- Petty Cash
- Donation Acceptance
- Economic Development Incentives
- Cash Receipts
- Accounting and Financial Reporting
- Accounts Payable and Vendor Disbursements
- Annual Budget
- Debt Management
- Investments
- Fraud Reporting
- Capital Assets

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Crystal Lake for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended April 30, 2024. This results in thirty-five consecutive years that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized ACFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR 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.

The City of Crystal Lake received the Distinguished Budget presentation award for the Fiscal Year 2025 Budget document for the seventeenth consecutive year. The City also received its third consecutive Certificate of Achievement for Excellence in Popular Financial Reporting for Fiscal Year 2023; results of the submission for Fiscal Year 2024's Popular Annual Financial Report are not yet available. It is an honor for the City of Crystal Lake to receive these three awards from the National GFOA.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to all staff members who assisted and contributed to the preparation of this report, especially Assistant Finance Director Adam Orton and Accounting Manager Stephanie Wrolson. Without the support given by the Mayor and the City Council and their unfailing commitment to maintaining the highest standards of professionalism in the management of the City of Crystal Lake's finances, this report would not be possible. Recognition and acknowledgement of the essential nature of their support and commitment to effective and responsible local government financial operations, which has enabled a report that is believed to meet the requirements of the GFOA Certificate of Achievement Program again this period, is an appropriate conclusion to this period's 8-month report.

Eric Helm
City Manager

Jodie Hartman
Director of Finance/Treasurer

CITY OF CRYSTAL LAKE, ILLINOIS

CITY OFFICIALS

As of December 31, 2024

MAYOR

Haig Haleblian

COUNCILMEMBERS

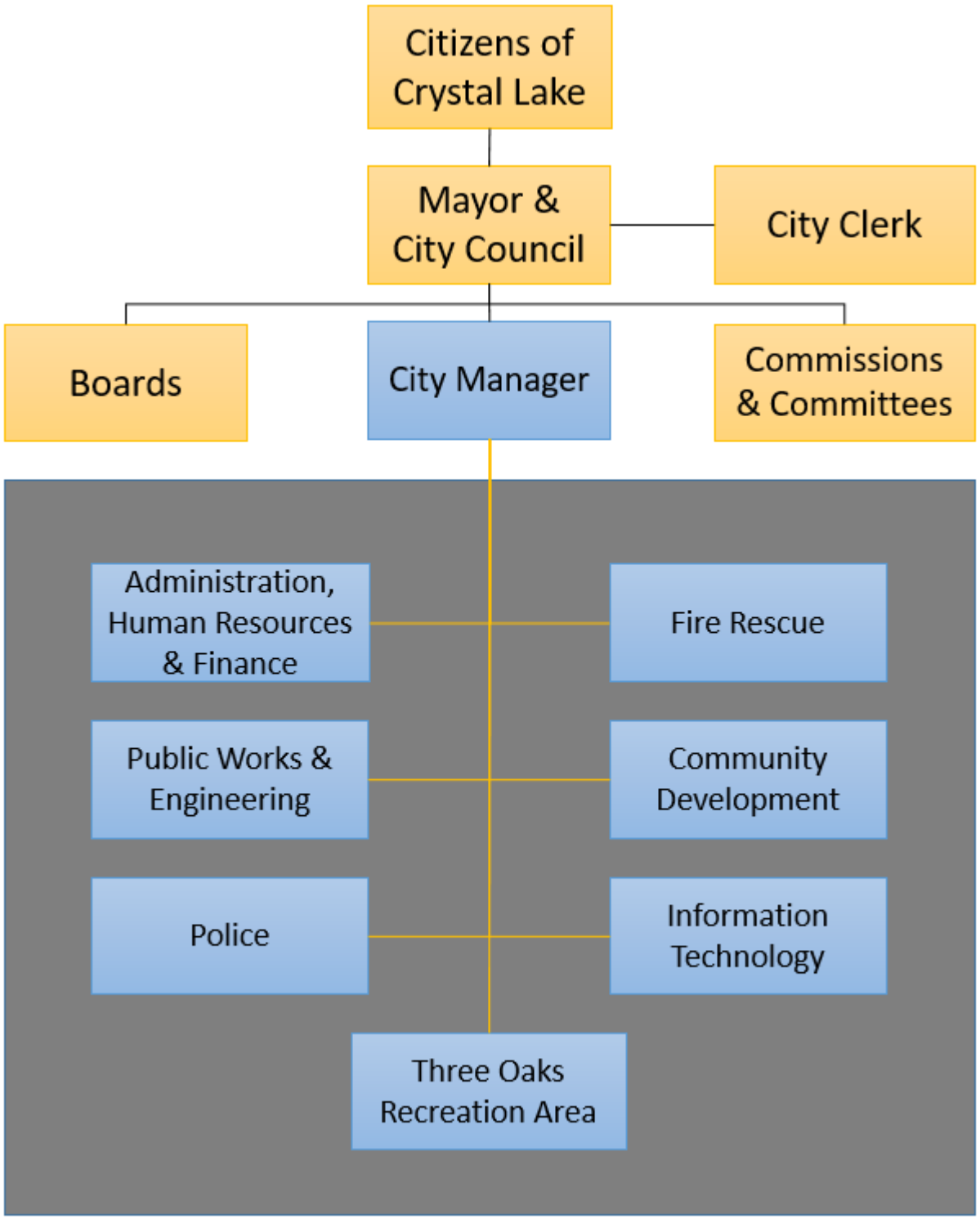
Ellen Brady	Brett Hopkins
Cameron Hubbard	Ian Philpot
Amanda Montford	Denise Smith

CITY CLERK

Nick Kachiroubas

ADMINISTRATION

Eric Helm	City Manager
Nicholas Hammonds	Assistant City Manager
Kathryn Cowlin	Director of Community Development
Jodie Hartman	Director of Finance/Treasurer
Julie Meyer	Director of Human Resources
Steven Weishaar	Director of Information Technology
Michael P. Magnuson	Director of Public Works
Craig Snyder	Chief of Fire Rescue
James Black	Chief of Police


Citizens of Crystal Lake
Mayor & City Council
City Clerk
Boards
City Manager
Commissions & Committees
Administration, Human Resources & Finance
Fire Rescue
Public Works & Engineering
Community Development
Police
Information Technology
Three Oaks Recreation Area

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Crystal Lake
Illinois

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

April 30, 2024

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor
Members of the City Council
City of Crystal Lake, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Crystal Lake, Illinois (the City), as of and for the eight months ended December 31, 2024, and the related notes to financial statements, which collectively comprise the City'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, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Crystal Lake, Illinois, as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the period then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under these 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 City 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.

Change in Accounting Principle

As described in Note 18 to the financial statements, the City adopted the Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, for the eight months ended December 31, 2024. The implementation of this guidance resulted in changes to accrual of compensated absence balances. Our opinion was not modified with respect to this matter.

Emphasis of Matter

As part of our audit for the December 31, 2024 financial statements, we also audited the adjustments as described in Footnote 18 that were applied to restated the April 30, 2024 financial statements. In our opinion, such adjustments are appropriate and have been properly applied.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America 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 City's ability to continue as a going concern for 12 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 GAAS and *Government 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 GAAS 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 City'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 City'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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information 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 City's basic financial statements. The combining and individual fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules are 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, statistical sections, and continuing disclosure 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 June 9, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City'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 City's internal control over financial reporting and compliance.

Sikich CPA LLC

Naperville, Illinois
June 9, 2025

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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*

The Honorable Mayor
Members of the City Council
City of Crystal Lake, 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Crystal Lake, Illinois (the City), as of and for the eight months ended December 31, 2024, and the related notes to financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 9, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City'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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 City'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City'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*.

City's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sikich CPA LLC

Naperville, Illinois
June 9, 2025

SIGNIFICANT DEFICIENCY

2024-001 Prepaid Expenses

Criteria: Payments made to vendors for vehicles/equipment should be recognized as an expense or capital asset in the period the City has received and has legal title to the vehicle/equipment.

Condition/Context: The City identified two vehicles, that were recognized as capital assets in the government-wide financial statements and expenditures on the fund financial statements in the prior fiscal period. However, while the vehicles were paid for in the prior fiscal period, the City had not received the vehicles or received legal title.

Effect: The City recorded an error correction to remove expenses from the prior period and record the vehicles as prepaid expenses as of December 31, 2024. The vehicles were still not received as of December 31, 2024.

Recommendation: We recommend the City should establish and implement procedures to review vehicle purchases to verify whether vehicles as of the fiscal year end.

Views of Responsible Officials: Management agrees with the finding.

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

The City of Crystal Lake Management Discussion and Analysis (MD&A) is designed to 1) assist the reader in focusing on significant financial issues, 2) provide an overview of the City's financial activity, 3) identify changes in the City's financial position (its ability to address the next and subsequent years' challenges), 4) identify any material deviations from the financial plan (the approved budget), and 5) identify individual fund issues and concerns.

As management of the City of Crystal Lake (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the eight months ended December 31, 2024. We encourage readers of this document to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i to vi of this report.

The financial information in this report represents eight months of activity due to a change in the City's fiscal year.

The City has traditionally operated on a fiscal year that would start on May 1st of each year and end April 30th of the following year. The City transitioned its fiscal year to a calendar year basis effective January 1, 2025. In order to achieve this transition, the City operated a shortened, 8-month fiscal period which is referred to as Fiscal Period 2024B. This transitional fiscal period (FY 2024B) started on May 1, 2024 and ended on December 31, 2024. The benefits of making this conversion include aligning the City's budget with the annual tax levy request, federal W2 and 1099 reporting, and State of Illinois Motor Fuel Tax audit cycles. A significant benefit is that the calendar fiscal year also allows for the majority of the construction season for many capital projects to fall within a single fiscal year. However, with Fiscal Period 2024B only being inclusive of 8 months, year-over-year comparisons are more challenging and in some cases, causes larger than normal decreases or increases from the prior twelve month fiscal year.

FINANCIAL HIGHLIGHTS

CITY FUNDS AS A WHOLE

The statement of net position presents information on all of the City's assets/deferred outflows and liabilities/deferred inflows as of December 31, 2024, with the difference reported as net position.

- **Net position**, excluding the Crystal Lake Public Library, was $292.96 million.
- **Change in net position** due to activity during the period was an increase of $24.53 million.
- **Combined revenues** totaled $72.07 million, a decrease of 15.4%.
- **Combined expenses** totaled $47.53 million, a decrease of 30%.

GENERAL FUND

- **Revenues** for the fiscal period totaled $35.71 million, a decrease of $8.88 million.

- **Expenditures** for the fiscal period totaled $24.14 million, a decrease of $7.12 million.
- **Fund Balance** as of December 31, 2024 was $22.10 million. The net change in fund balance due to activity during the fiscal period was a decrease of $1.58 million.

BUSINESS-TYPE ACTIVITIES (Waterworks and Sewerage Fund)

- **Operating revenues** for the fiscal period totaled $10.57 million, a decrease of $4.44 million.
- **Operating expenses** for the fiscal period totaled $8.75 million, a decrease of $4.92 million. Depreciation and amortization of capital assets, a non-cash expense totaling $2.87 million, is included in the operating expenses total.

LONG-TERM DEBT

- **Bonded Debt for governmental activities outstanding** as of December 31, 2024 decreased $844k to $4.48 million during the period.
- **Bonded Debt for business-type activities outstanding** as of December 31, 2024 decreased $2.10 million to $17.27 million during the period.
- **Net Pension Liability for Public Safety Pensions** decreased $3.21 million to $52.91 million. This includes the liabilities for both Police and Firefighters' Pension Funds.
- **Net Pension Liability for IMRF** (non-sworn employees excluding the Crystal Lake Library), as of December 31, 2023, was $7 million.

CAPITAL INVESTMENT

- **City-wide assets,** net of depreciation, total $291.69 million at December 31, 2024, an increase of $12.38 million.
- **Governmental capital assets** net of depreciation increased $6.11 million to $197.55 million.
- **Business-type capital assets** net of depreciation increased $6.27 million to $94.14 million, primarily for infrastructure.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The notes to the financial statements are considered integral to the financial statements. In addition to the basic financial statements and notes, this report also contains required supplementary information, other supplementary information and statistical information.

The City's basic financial statements comprise two components: 1) Government-wide financial statements and 2) Fund financial statements. The combination of government-wide and fund financial statements allows the City to present fairly and with full disclosure, the funds and activities of the City and to demonstrate compliance with finance-related legal and contractual provisions.

Government-wide Financial Statements are intended to provide an aggregated overview of the City's net position and changes in net position. The government-wide financial statements report on the government as a whole using the same basis of accounting and measurement focus as a private-sector business.

The government-wide financial statements include not only the City itself (known as the primary government), but also a legally separate library for which the City is accountable. This component unit is reported separately from the financial information presented for the primary government itself. The government-wide financial statements can be found on pages 8-11 of this report.

Fund financial statements assist in assessing whether the government has raised and spent financial resources in accordance with budget plans and in compliance with finance-related legal requirements. Certain funds, referred to as governmental funds, focus on the short-term flow of *current* financial resources, rather than on the flow of economic resources. Other funds, referred to as proprietary and fiduciary funds, account for the business-type and certain fiduciary activities of the government. These funds follow accounting and reporting principles similar to those of business organizations.

Governmental funds. These funds are a generic classification used to refer to all funds other than proprietary and fiduciary funds. The City has eighteen (18) governmental funds to account for governmental functions. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance for those governmental funds considered to be "major" funds.

The City of Crystal Lake has 18 governmental funds, 2 proprietary funds, and 2 fiduciary funds.

Governmental funds account for the inflows and outflows of *current* financial resources. No long-lived assets such as land, buildings, and equipment, nor any long-term liabilities such as bonds payable, are reported on the governmental funds balance sheet. Financial resources must be available to pay current-period obligations. The basic governmental fund financial statements can be found on pages 12-16 of this report.

Proprietary funds. These funds are sometimes referred to as *business-type* funds of local government. Examples of proprietary funds are enterprise funds and internal service funds. The City maintains two proprietary funds: the Waterworks and Sewerage Fund and the Group Insurance Fund. The Waterworks and Sewerage Fund is considered to be a major fund of the City. The basic proprietary fund financial statements can be found on pages 17-21 of this report.

Fiduciary funds. These funds are used to account for resources held for the benefit of parties outside the government. This includes the City's two pension trust funds and custodial Special Service Area Funds. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. The basic fiduciary fund financial statements can be found on pages 22-23 of this report.

Notes to the financial statements. These notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 24-85 of this report.

Required supplementary information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's progress in funding its obligation to provide pension benefits, as well as budgetary comparison schedules for major funds for which an appropriation was approved. Required supplementary information can be found on pages 86-100 of this report.

Other supplementary information. This includes combining and individual fund statements and schedules, which can be found beginning on page 101 of this report.

Statistical information. The statistical section of the annual report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementation information says about the City's overall financial health. Statistical information can be found beginning on page 155.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Net Position

The Statement of Net Position is a high-level view of the total assets, deferred outflows, liabilities and deferred inflows of the primary government. The resulting net position is allocated to three categories: Net Investment in Capital Assets, Restricted funds and Unrestricted Funds. Net assets may serve over time as a useful indicator of a government's financial position.

Statement of Net Position
As of April 30, 2024 and December 31, 2024

	Governmental Activities		Business-type Activities		Total Primary Government	
Category	**12/312024**	**4/30/2024**	**12/31/2024**	**4/30/2024**	**12/31/2024**	**4/30/2024**
Current & other assets	$ 105,358,576	$ 94,496,320	$ 32,040,934	$ 37,009,571	$ 137,399,510	$ 131,505,891
Capital assets	197,550,457	191,924,966	94,140,003	87,872,033	291,690,460	279,796,999
Total assets	302,909,033	286,421,286	126,180,937	124,881,604	429,089,970	411,302,890
Deferred Outflows	14,217,967	15,593,442	2,616,582	2,434,306	16,834,549	18,027,748
Total assets & deferred outflows	**317,127,000**	**302,014,728**	**128,797,519**	**127,315,910**	**445,924,519**	**429,330,638**
Current liabilities	9,615,092	8,185,953	2,765,481	6,931,752	12,380,573	15,117,705
Long-term liabilities	73,420,215	76,521,771	39,602,386	42,375,201	113,022,601	118,896,972
Total liabilities	83,035,307	84,707,724	42,367,867	49,306,953	125,403,174	134,014,677
Deferred Inflows	24,241,441	22,538,495	3,319,598	3,441,582	27,561,039	25,980,077
Total liabilities & deferred inflows	**107,276,748**	**107,246,219**	**45,687,465**	**52,748,535**	**152,964,213**	**159,994,754**
Net position:						
Net Invest. In Cap. Assets	188,351,947	181,837,388	62,311,102	55,271,549	250,663,049	237,108,937
Restricted	7,954,824	10,649,313	-	-	7,954,824	10,649,313
Unrestricted	13,543,481	2,281,808	20,798,952	19,295,826	34,342,433	21,577,634
Total net position	**$ 209,850,252**	**$ 194,768,509**	**$ 83,110,054**	**$ 74,567,375**	**$ 292,960,306**	**$ 269,335,884**

Total assets increased $17.79 million during the eight months, including an increase of $11.89 million in capital assets (net of depreciation) driven by investments in capital assets. Current and other assets, primarily cash and investments increased $5.89 million. The City has an equity investment in Southeast Emergency Communications (SEECOM) for a total of $4.60 million. Created through an intergovernmental agreement, SEECOM is a consolidated emergency communications center which provides dispatch services and is owned in common by the City and two other municipalities.

Deferred outflows of resources decreased $1.19 million over the period. Pension items for IMRF, the Police Pension and the Firefighters Pension decreased a combined $1.04 million which represents differences between expected and actual experiences, assumption changes, and net differences between projected and actual earnings. Other Post-Employment Benefits (OPEB) decreased $143k. OPEB liability relates to health insurance provided to 1) retired eligible employees who pay the full premium, and 2) health insurance costs for any public safety employees awarded Public Safety Employee Benefits Act (PSEBA) benefits due to sustained catastrophic injuries while responding to emergencies. Another required deferred outflow represents the cost to retire water wells from service calculated at $896k.

Total liabilities decreased $8.61 million for the period. Current liabilities decreased $2.74 million due to a reduction in unearned revenue as the City continued spending down its allotment of funds from the American Rescue Plan Act (ARPA). Long-term liabilities decreased $5.87 million, including a decrease to net pension liability for public safety pensions (sworn employees) totaling $3.21 million. Also, a component of long-term liabilities, lease obligations decreased $296k. While the City is no longer exclusively leasing vehicles for its fleet, the fleet leasing program continues. Outstanding bonded debt decreased $2.86 million. The net pension liability for non-sworn employees through the Illinois Municipal Retirement Fund (IMRF) did not change. At the time of publication, the 2024 IMRF reports were not available to incorporate into this report. This report reflects 2023 IMRF information.

Deferred inflows of resources increased $1.58 million over the eight months. Deferred inflows for property taxes accounted for a large share of the net increase, growing $819k. IMRF and the police and fire pensions saw a combined increase of $774k. Changes to deferred inflows relating to leases and other postemployment benefits make up the remainder of the change.

As of December 31, 2024, net position for the City was $292.96 million. The largest portion of the City's net position reflects its investment in capital assets (e.g., land, infrastructure, buildings, and equipment) less any related debt used to acquire those assets still outstanding. Although the City's investment in its capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the City's net assets ($7.95 million) represents resources that are subject to external restrictions relative to their use.

The remaining *balance of unrestricted net position* may be used to meet the City's ongoing obligations to citizens and creditors. Unrestricted net position is $34.34 million at December 31, 2024. GASB requires the City to recognize the net pension liability totaling $59.91 million at December 31, 2024 for its three pension plans and requires the City to recognize net other post-employment benefit obligations totaling $6.45 million. Unrestricted net position increased $12.76 million from the previous fiscal year primarily due to revenues exceeding expenses over the eight month time period.

Unrestricted net position increased by almost $13 million primarily due to revenues exceeding expenses in the shortened fiscal period.

Statement of Activities

The Statement of Activities illustrates the change in net position throughout the fiscal period. A snapshot of the statement is provided below, with greater detail on pages 10-11 of this report.

Statement of Activities
For the Year Ended April 30, 2024 and for the Eight Months Ended December 31, 2024

	Governmental Activities		Business-type Activities		Total Primary Government	
Category	**2024B**	**2023/24**	**2024B**	**2023/24**	**2024B**	**2023/24**
Revenues:						
Program revenues:						
Charges for services	$ 8,434,913	$ 8,361,879	$ 11,439,343	$ 16,775,808	$ 19,874,256	$ 25,137,687
Operating grants/contributions	1,315,488	1,933,578	-	-	1,315,488	1,933,578
Capital grants/contributions	-	665,817	-	-	-	665,817
General revenues:						
Taxes	24,897,814	24,538,354	1,444,854	2,596,683	26,342,668	27,135,037
Intergovernmental	16,757,420	23,656,862	3,108,262	1,326,955	19,865,682	24,983,817
Investment earnings	1,984,179	1,924,376	797,866	936,253	2,782,045	2,860,629
Other	1,751,171	2,199,979	135,138	224,268	1,886,309	2,424,247
Total revenues	**55,140,985**	**63,280,845**	**16,925,463**	**21,859,967**	**72,066,448**	**85,140,812**
Expenses:						
General Government	6,607,702	8,868,981	-	-	6,607,702	8,868,981
Public Safety	21,450,742	30,928,000	-	-	21,450,742	30,928,000
Highways and Streets	8,415,627	11,648,259	-	-	8,415,627	11,648,259
Culture and Recreation	1,556,194	1,745,214	-	-	1,556,194	1,745,214
Interest on long-term debt	105,744	202,288	-	-	105,744	202,288
Water/Sewer	-	-	9,398,839	14,538,180	9,398,839	14,538,180
Total expenses	**38,136,009**	**53,392,742**	**9,398,839**	**14,538,180**	**47,534,848**	**67,930,922**
Excess (deficiency) of revenues over expenses	17,004,976	9,888,103	7,526,624	7,321,787	24,531,600	17,209,890
Transfers:	(1,163,284)	(98,720)	1,163,284	98,720	-	-
Change in net position	**15,841,692**	**9,789,383**	**8,689,908**	**7,420,507**	**24,531,600**	**17,209,890**
Beginning net position	194,768,509	184,979,126	74,567,375	67,146,868	269,335,884	252,125,994
Change in accounting principle	(791,005)	-	(147,229)	-	(938,234)	-
Error corrections	31,056	-	-	-	31,056	-
Ending net position	**$ 209,850,252**	**$ 194,768,509**	**$ 83,110,054**	**$ 74,567,375**	**$ 292,960,306**	**$ 269,335,884**

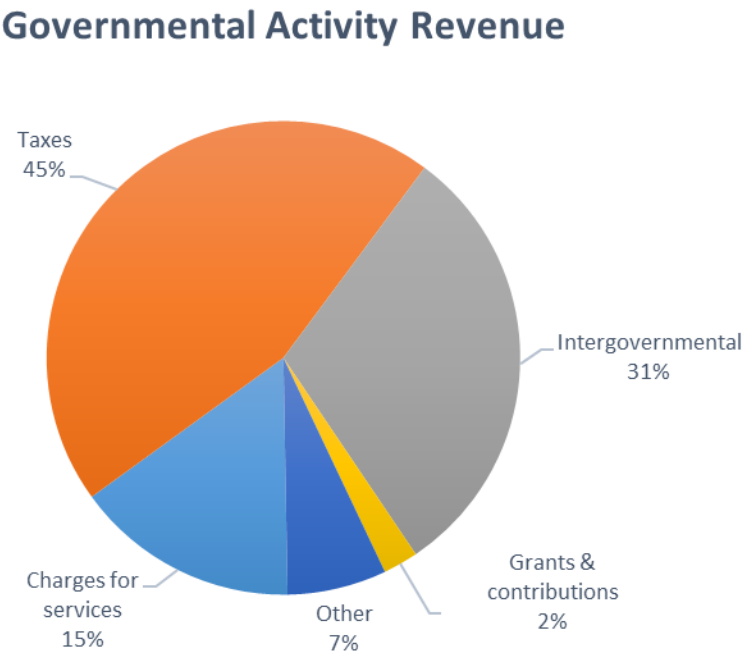
Overall, revenues for the City totaled $72.07 million, a decrease of $13.07 million from the prior fiscal year. Expenses city-wide totaled $47.53 million, a decrease of $20.40 from the prior fiscal year. The resulting change from the fiscal period activities is an increase in net position of $23.62 million, representing growth of 8.8%. The change in accounting principle in FY2024B was due to the implementation of GASB Statement No. 101, *Compensated Absences*. The error correction was related to capital assets and prepaid expenses, with the net effect of $31k. See Note 18 for more information.

Governmental Activities

As is typical for governmental activities of local governments, program revenues cover a small percentage of program expenses, with general revenues covering the majority of expenses. For this fiscal period, governmental program expenses of $38.14 million exceeded program revenues of $9.75 million by $28.39 million; general revenues of $45.39 million are used to make up the difference. With governmental revenues performing better than anticipated while expenses remained low, the City experienced a $15.84 million surplus in governmental activities.

Revenues

The following graph indicates the breakdown of governmental revenue by type for the fiscal period. Diversification by source is an important factor in financial stability. The City does not rely heavily on any one particular category.



- Charges for services increased $73k for the eight months as compared to the previous fiscal year. Grant and contribution revenues decreased by $1.28 million, as this category is comprised mostly of single occurrence grant awards relating to specific projects or programs. Despite the fiscal year change, revenues totaling $566k from the Three Oaks Recreation area only decreased $10k due to the majority of its seasonal operations occurring during FY2024B.

- Intergovernmental revenues decreased $6.90 million, due to the shortened fiscal period. States Sales and Use Taxes were down $4.68 million and State Income Tax was down $2.02 million. These decreases were anticipated. Compared to budget, the FY2024B total for State Sales and Use Taxes exceeded expectations by $2.10 million.

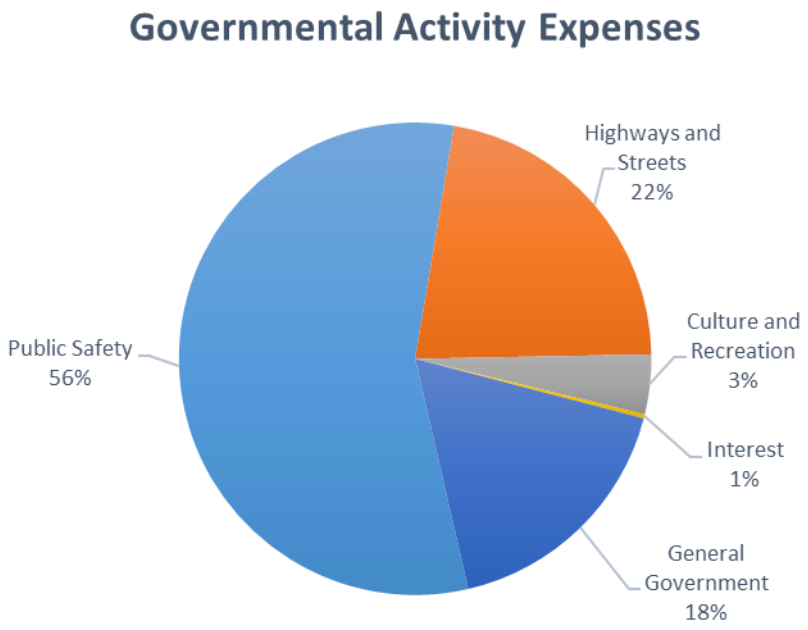
- Investment earnings ended the period at $1.98 million, an increase of $60k. Generally higher yields produced additional current income within the investment portfolio. Additionally, bond yields moved lower during the fourth quarter of 2024 resulting in price appreciation.

- Revenue from taxes increased $359k. While only receiving 8 months of receipts, the Home Rule Sales Tax increased $435k due to a 0.5% rate increase that took effect July 1, 2024. The Telecommunications Tax (down $175k) continued to decline year over year. Due to the timing of property tax payments, the City received its full levy in FY2024B despite the shortened fiscal period.

- Other revenues of $1.75 million decreased $449k. This category includes recognition of interest of $397k on funds held with the Intergovernmental Risk Management Agency (IRMA). This category also includes capital facility fees, reimbursements from other agencies, and host fees for transfer facilities.

Expenses

Governmental activity expenses represent the costs to operate the City's core services, excluding water and sewer service. The following chart shows the breakdown of governmental expenses by activity.



Public safety expenses, which account for the largest share, decreased by $9.48 million to $21.45 million due to the 8 month fiscal period. Additionally, the decrease in police and fire pension liability represents a portion of the decrease in public safety expenses. As the change in pension obligation is not a source or use of funds, it is only shown in the high-level Statement of Activities and not the remainder of financial reports within the report.

Expenses in the remaining categories all decreased as well, due to the reduced eight month time period. Highways and Streets decreased by $3.23 million to $8.45 million. As a factor to the fiscal year change, seasonal expenses that typically occur in January and February, such as snow removal overtime and road salt expenses, did not occur in the eight month period. General Government expenses were down $2.26 million to $6.6 million and interest expense on long-term debt for governmental activities decreased $97k as debt service continues to be paid down.

Business-type activities

The Waterworks and Sewerage Fund activity resulted in an increase to net position of $8.54 million from the fiscal period's activity. Net position ended the fiscal period with $83.11 million.

Revenues

Charges for services decreased $4.35 million from the prior year due to the change in the fiscal year. In FY2024B, there was a 3% increase to the water and sewer rates that took effect September 1, 2024, and consumption was slightly higher when compared to the same 8-month period in 2023. Connection fees decreased $802k to $884k due to a decrease in issuance of new construction permits as several developments are nearing completion.

In order to fund capital needs, all utility taxes totaling $1.44 million were deposited in the business-type funds. Investment income for business-type revenues increased $138k up to $798k.

Expenses

Operating expenses of the Waterworks and Sewerage Fund were $4.92 million lower than the previous year. Principal payments decreased by $139k to $2.92 million and interest expenses decreased $304k to $562k per the debt service payment schedules. Depreciation and amortization expense decreased $1.49 million to $2.87 million due to only 8 months of expenses.

GOVERNMENTAL FUND FINANCIAL STATEMENTS

The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal period.

At the end of the fiscal period 2024B, the City's governmental funds reported combined ending fund balances of $70.95 million, an increase of $7.80 million from the prior year. The unassigned portion of the ending fund balances totaled $13.37 million and is available to spend at the City's discretion. The remainder of the combined ending fund balance is restricted or assigned to indicate it is not available for spending. Restricted and assigned funds are reserved to pay debt service, retirement, street improvement or other specific costs, or are reserved for prepaid items such as insurance and inventories.

General Fund

At the end of the fiscal period, the General Fund had a fund balance of $22.10 million, with $13.53 million as unassigned. As a measure of the General Fund's capacity to provide a sufficient cash flow for day-to-day operations, offset unanticipated downturns to revenues or provide an ability to make emergency purchases, it may be useful to compare unassigned fund balance to operating expenditures. The unassigned fund balance represented 56% of FY2024B General Fund operating expenditures. Compared to the FY2025 budget (full twelve months of activity), this percentage returns to within the policy range of 37%.

The ending fund balance of the General Fund decreased by $1.58 million, the result of a transfers of General Fund surplus to the Capital Replacement Fund and Vehicle Replacement Fund in the amounts of $8.32 million and $4 million, respectfully. General Fund revenues totaled $35.71 million, a decrease of $8.79 million (19.9%) due to the shortened 8-month fiscal period. Intergovernmental revenue was down $6.97 million, including sales tax which decreased by $4.12 million to $11.05 million. Certain revenue sources such as property taxes and charges for services were less impacted by the fiscal year change due to the timing of the receipts. Charges for services were only down slightly by $172k due to the seasonal operating window of the Three Oaks Recreation Area falling almost entirely within the shortened fiscal period. Correspondingly, Home rule sales tax increased by $435k due to a 0.5% increase that was effective July 1, 2024.

General Fund expenditures also decreased for a total of $24.14 million, a decrease of $7.12 million (22.8%). Despite the shortened fiscal period, the City incurred its full annual police and fire pension contribution expenditures. General Fund revenues surpassed expenditures by $11.57 million.

General Fund revenues exceeded General Fund expenditures by over $11 million.

Fire Rescue Fund

The Fire Rescue Fund is also a major governmental fund, with an ending fund balance of $13.81 million, an increase of $5.13 million from annual activity. Revenues increased $1.70 million to $14.42 million. Primary revenue sources of the Fire Rescue Fund include charges for services to other agencies, ambulance transport fees, and a property tax. Due to timing of the property tax receipts, the Fire Rescue Fund received a full year's worth of property tax despite the shortened fiscal period. Additionally, the ambulance transport fee was increased in FY2024B to match the GEMT rate. Expenditures decreased by $3.53 million. The 8 months of personnel costs included salary increases based on labor contracts and overtime required to maintain minimum staffing levels.

Capital and Equipment Replacement Fund

The ending fund balance in the Capital and Equipment Replacement Fund was $19.81 million, an increase of $3.19 million from the prior year. Revenues for the period of $427k included $186k in taxes from video gaming. Other financing sources included $87k in financing for new leased vehicles and $13.62 million from other funds as transfers in for capital purchases.

Expenditures totaled $11.44 million, compared to budgeted expenditures of $20.11 million; several projects were delayed due to supply chain issues and availability of contractors. Major projects for the period included the annual street resurfacing program ($1.43 million), the sidewalk and curb program ($725k), new vehicle and equipment purchases and leases ($430k), building improvements ($2.28 million), and road/intersection improvements ($3.27 million). To mitigate tax increases, one-time capital and equipment replacement expenditures are funded using unassigned fund balance and/or bond proceeds.

Other Governmental Funds

The City maintains several other governmental funds. In aggregate, fund balances of other governmental funds increased $547k from the previous year. Highlights from some of these funds include:

- The Motor Fuel Tax Fund had a fund balance of $4.14 million as of December 31, 2024, a decrease of $2.39 million. The entire balance is restricted for purposes of roadway improvements. Expenditures of Motor Fuel Tax dollars require authorization from the Illinois Department of Transportation, as well as the Crystal Lake City Council. Other financing uses (transfers out to the Capital and Equipment Replacement Fund) of $3.82 million provided roadway, intersection and pedestrian path improvements, as well as the construction of a salt storage building. The Fund Balance decrease represents a planned use of full balance for budgeted roadway improvement projects.

- The IMRF/FICA Fund is used to account for revenues derived from a separate tax levy. Disbursement of these funds are restricted to the payment of employer contributions to Social Security, Medicare and to the Illinois Municipal Retirement Fund. The ending fund balance in the IMRF/FICA Fund is $1.43 million, an increase of $361k due to receiving a full year of property tax receipts but only incurring 8 months of expenditures. The surplus from Fiscal Period 2024B will be used to offset expenditures incurred early in Fiscal Year 2025.

- The Restricted Police Fund consists of revenues collected by the Police Department for specific infractions such as DUI, drug forfeitures and vehicle impoundments. The restricted accounts are governed by State or Federal statutes. These funds are limited in their potential uses and must be used by the Police Department for purposes directly related to DUI and drug related enforcement and prevention. The ending fund balance in the Restricted Police Fund is $917k, an increase of $131k.

- The Three Oaks Debt Service Fund accounts for debt service costs associated with a tax increment financing redevelopment project within the Vulcan Lake TIF District. This fund had no revenues during fiscal period 2024B, but received other financing sources of $1.0 million as transfers in from the General Fund and from the Vulcan Lakes TIF increment receipts. This funding was used for $1.0 million in debt service payments. The ending fund balance is $0.

- The Water's Edge TIF Project Fund is used to account for funds associated with the tax increment financing district created to assist in the redevelopment of the former Crystal Court Shopping Center. The fund received tax increment revenue in the amount of $51k for fiscal period 2024B. The Water's Edge TIF Project Fund is carrying a liability to repay the General Fund for advancing funds to cover planning and engineering expenditures of the TIF Project Fund; the balance of the advance as of December 31, 2024 was $169k.

Proprietary Funds

Proprietary funds are sometimes referred to as *business-type* funds of a local government. The City maintains two proprietary funds. The Waterworks and Sewerage enterprise fund is used to account for the acquisition, operations and maintenance of Waterworks and Sewerage facilities and services, including capital improvements and debt service obligations. This fund is predominately self-supporting through user charges. The Group Insurance Fund is an internal service fund that accounts for assets associated with funding the City's group health insurance.

Total net position of the Waterworks and Sewerage Fund increased $8.69 million through fiscal period activity to $83.11 million at December 31, 2024. Of the total, $62.31 million represents the City's net investment in capital assets. The remaining $20.80 million of total net position, represents unrestricted net position. Expenses included water main and storm sewer replacements, construction of new deep well #19, generator replacements for lift stations #12 and #20, lift station $14 rehabilitation, water meter replacement program, Three Oaks water level control improvements, and engineering costs for various projects.

The Group Insurance Fund had an ending fund balance of $2.54 million, all of which is unrestricted. The majority of revenues ($4.24 million) came from employer and employee contributions. Group health insurance premiums totaling $3.87 million accounted for most of the fund's expenses. Other minor expenses include wellness costs and professional services.

GENERAL FUND BUDGETARY HIGHLIGHTS

As the main operating fund of the City, the General Fund represents a range of revenues and expenditures. Revenues that are not restricted, committed or assigned to other functions are recorded in the General Fund. Operating costs of most major departments are recorded here as well, such as aspects of police protection, street maintenance, economic development, planning, engineering, fleet and facility maintenance and administration.

Actual revenues of $35.71 million surpassed budget expectations by $3.85 million. Combined with other financing sources, inflows exceeded budget by $3.90 million. Transfers into the General Fund were higher than budgeted due to the actual amount of tax increment received from the Virginia Street TIF.

Expenditures ended the period $2.42 million below budget. Other financing uses ended the period $6.18 million above

Expenditures for the General Fund, the City's main operating fund, came in under budget by more than $2 million.

budget, primarily due to a one-time transfer from the General Fund to the Capital and Equipment Replacement Fund. This planned transfer utilizes $6.70 million of operating surplus to provide advanced funding of future capital needs.

General Fund Budgetary Highlights
For the Eight Months Ended December 31, 2024

	Final Budget	Actual	Variance $	Variance %
Revenues & Other Financing Sources				
Taxes	$ 14,924,746	$ 14,816,391	$ (108,355)	-0.7%
Licenses and permits	652,000	738,147	86,147	13.2%
Intergovernmental	14,415,658	16,806,140	2,390,482	16.6%
Charges for services	840,723	907,515	66,792	7.9%
Fines and forfeits	312,000	315,393	3,393	1.1%
Investment Income	250,000	1,301,842	1,051,842	420.7%
Other revenue	464,310	825,413	361,103	77.8%
Sub-total revenues	31,859,437	35,710,841	3,851,404	12.1%
Other financing sources	151,156	202,603	51,447	34.0%
Total Revenues and Other Financing Sources	32,010,593	35,913,444	3,902,851	12.2%
Expenditures and Other Financing Uses				
General Government	5,786,600	4,791,448	(995,152)	-17.2%
Public Safety	14,710,628	14,169,054	(541,574)	-3.7%
Highways and Streets	5,196,691	4,413,475	(783,216)	-15.1%
Culture and Recreation	818,483	691,099	(127,384)	-15.6%
Debt service	53,763	76,563	22,800	42.4%
Sub-total expenditures	26,566,165	24,141,639	(2,424,526)	-9.1%
Other financing uses				
Transfers to Other Funds	7,174,021	13,354,687	6,180,666	86.2%
Total Expenditures and Other Financing Uses	33,740,186	37,496,326	3,756,140	11.1%
Change in Fund Balance	$ (1,729,593)	$ (1,582,882)	$ 146,711	

Major General Fund Revenues

State Sales Tax receipts of $11.05 million surpassed its budgeted amount by $2.14 million. Receipts from sales tax continue to grow as prices rise with inflation. Starting January 2021, the State began classifying online retail purchases into the State Sales Tax distributions by purchase destination rather than as Use Tax and distributed per capita. So in addition to sales of groceries and general merchandise, online purchases are now supporting State Sales Tax revenues.

Home Rule Sales Tax receipts of $7.61 million fell just short of budgeted expectations by $281k. The Home Rule Sales Tax rate increased by 0.5% effective July 1, 2024. Purchases of groceries are exempt from Home Rule Sales Tax, however staple items and online retail orders are not exempted.

Income Tax receipts ended the fiscal period at $4.57 million. This total exceeded the budgeted amount by $295k.

Use Tax totaled $957k for FY2024B. This was less than its budgeted expectation by $44k. Online retail sales that were formerly in Use Tax are now being remitted under the Sales Tax category.

Hotel Tax receipts ended the fiscal period at $389k. The Hotel Tax exceeded its budgeted amount by $172k and brought in $37k more than the prior fiscal year.

Building permits of $583k exceeded budgeted expectations by $83k but are down as compared to the previous year as Lennar Homes is nearing completion on the Woodlore Estates development on the northeast section of Crystal Lake. Phase 1 of the Redwood development is also winding down with the next phases set to begin in the next year.

Investment earnings of $1.30 million surpassed budget expectations by $1.05 million. The increase in investment earnings was mainly driven by improved yields and a shorter average maturity within the investment portfolio. As the City is restricted statutorily on the types of investment vehicles, the City invests idle funds with a professional investment management firm to maximize earning potential while remaining compliant with restrictive investment options allowed by Illinois Statute.

Other revenue of $825k exceeded budget expectations by $361k. This category includes an interest earnings credit of $397k arising from assets held in trust at the Intergovernmental Risk Management Agency (IRMA). IRMA is an entity that was created under Illinois state law which allows municipalities to band together in order to pool risk management needs for general liability and workers' compensation insurance.

Charges for services ended the fiscal period at $908k, which was $67k above budgeted expectations. Three Oaks Recreation Area revenues, including beach admission and boat rentals, at were $10k above their budgeted expectations as hot, dry weather drove attendance at the park. Plan review fees ended the period $54k higher than the budgeted amount.

Major General Fund Expenditures

Across all functions, spending within the General Fund ended the fiscal period under budget. This is a combination of savings from a variety of items. Some savings include the following:

- Personnel related expenditures ended the period below budget due to vacated positions, which remain open unless deemed critical to City operations.

- Contractual services expenditures were under budget mainly in professional services as projects were delayed or managed internally.

CAPITAL ASSETS

The City's investment in capital assets for its governmental and business-type activities as of December 31, 2024, totaled $291.69 million (net of accumulated depreciation). This investment in capital assets includes land, infrastructure, buildings, improvements, and machinery and equipment.

Capital Assets, Net of Depreciation and Amortization
As of December 31, 2024 and April 30, 2024

	Governmental Activities		Business-type Activities		Total Primary Government	
	FYE 24B	FYE 24*	FYE 24B	FYE 24	FYE 24B	FYE 24*
Land and Improvements	$104,097,773	$104,097,773	$ 2,209,776	$ 2,209,776	$106,307,549	$ 106,307,549
Building and Improvements	21,877,113	20,347,199	16,643,003	17,569,683	38,520,116	37,916,882
Machinery, Equipment, Vehicles & Software	7,648,547	6,776,056	5,297,132	5,035,310	12,945,679	11,811,366
Construction in Progress	4,250,096	5,023,434	9,494,060	4,998,248	13,744,156	10,021,682
Infrastructure	59,676,928	55,194,748	60,496,032	58,059,016	120,172,960	113,253,764
Total	$ 197,550,457	$ 191,439,210	$94,140,003	$87,872,033	$291,690,460	$ 279,311,243

* Certain beginning balances were restated as a result of error corrections.

During the fiscal period, the City invested $12.38 million in capital (buildings, equipment and infrastructure). Major capital asset acquisitions made during the fiscal period included:

- Three new police vehicles
- Two new fire rescue vehicles
- One public works pickup truck
- Public Works Fleets garage floor replacement
- City Hall overhead paging system
- City Hall building improvements
- Fire Station #1 kitchen remodel
- City Council Chambers audio/video upgrade
- Dole Avenue reconstruction
- Three Oaks entrance gates project
- Three Oaks lake level adjustment
- Annual road resurfacing program
- Brink Street public place project
- Main Street landscape planters
- Self-contained breathing apparatus

Over $12 million in capital projects were completed during the fiscal period.

- In-ground vehicle lift
- Lift station generator replacements
- Lift station #14 rehabilitation
- New deep well #19
- Water main replacements
- Storm sewer system improvements
- Water and wastewater treatment plant improvements

Additional information on the City's capital assets can be found in Note 5 of this report.

LONG-TERM DEBT

In March 2025, S&P Global Ratings affirmed the City's bond rating upgrade of AAA with a stable outlook. Some factors cited by S&P Global Ratings for the rating affirmation:

- **Maintenance of very strong reserves and liquidity;**
- **Very strong management conditions, with robust planning and policies;**
- **Very low debt profile, with manageable pension costs;**
- **Strong institutional framework as a home-rule community.**

At the end of the current fiscal period, the City had $41.49 million of debt outstanding, including $941k in lease liabilities. The chart below summarizes the City's outstanding long-term debt by debt instrument.

Long-Term Debt Outstanding
As of December 31, 2024 and April 30, 2024

	Governmental Activities		Business-type Activities		Total Primary Government	
	FYE 24B	FYE 24	FYE 24B	FYE 24	FYE 24B	FYE 24
General Obligation Bonds	$ 4,483,007	$ 5,327,518	$17,266,993	$19,367,482	$ 21,750,000	$ 24,695,000
Unamortized Bond Premium	350,345	436,973	527,068	569,011	877,413	1,005,984
IEPA Loans	-	-	17,506,235	18,021,057	17,506,235	18,021,057
General Obligation Note	-	-	-	230,000	-	230,000
Lease Liability	741,834	986,480	199,307	215,466	941,141	1,201,946
SBITA Liability	299,322	-	-	-	299,322	-
Installment Contract	119,398	-	-	-	119,398	-
Total	$ 5,993,906	$ 6,750,971	$35,499,603	$38,403,016	$ 41,493,509	$ 45,153,987

Currently, the City has four general obligation bonds outstanding. As of December 31, 2024, the total outstanding balance general obligation is $21.75 million, of which $4.48 million is attributed to governmental activities and $19.37 million is related to business-type activities.

For Fiscal Period 2024B, the City implemented GASB Statement No. 96 which recognizes the City's liability for subscription-based information technology arrangements (SBITA). As of December 31, 2024, the City's SBITA liability was $299k. More information on SBITA liability can be found in Note 6 of this report.

The City's outstanding general obligation balance is $22 million, a decrease of $3 million from the previous year.

The City has two loan agreements with the Illinois Environmental Protection Agency. The first began in 2015 and authorized the City to borrow $14.78 million to fund improvements to the City's wastewater treatment plants. The City is currently awaiting the final disbursement on the second IEPA loan. This loan is providing funding for improvements to the City's water treatment plant #2 and has an outstanding payable balance of $7.24 million. Both loans are paid on a semi-annual basis over 20 years. As of December 31, 2024, the City has a total outstanding loan payable of $17.51 million.

A general obligation promissory note issued in 2015 was fully repaid in December 2024. The note was issued to finance costs of water main replacements and water capacity enhancements.

Additional information on the City's long-term debt can be found in Note 6 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

High inflation, supply chain issues, potential tariffs, and geopolitical conflicts continue to inject uncertainty into the economy. However, the City enjoys a healthy mix of retail diversity which has proven to weather economic downturns well. Management continually monitors revenues sources and cash balances into order to ensure sufficient resources are available to support City services.

Some revenue sources of the City rely on the allocation and distribution of funds from the State of Illinois, such as Income Tax and Use Tax. The State has reduced the municipal share of Income Tax historically and may look to this source again to offset their own fiscal shortages. The State budget contains a structural financial imbalance. Since the pressures of this imbalance will continue into the next budget, it is likely that additional local government diversions may be proposed in future years. Effective January 1, 2026, the State of Illinois will eliminate the 1% tax on groceries.

A water and sewer rate increase of 3% will go into effect on September 1, 2025. These increases provide a necessary funding mechanism to allow the Waterworks and Sewerage Fund to remain financially independent and provide for some capital investment to maintain Waterworks and Sewerage infrastructure systems.

In 2021 and 2022, the City contracted with third-party consultants to perform staffing studies for the fire rescue and police departments. The resulting recommended staffing levels called for an addition 12 firefighter/paramedics and 10 police officers. In FY 2024B, the additional positions were authorized, and the City's plan is to incrementally add the additional staff our several years. In FY 2025, seven of the new police officer positions and six of the new firefighter/paramedic positions are budgeted to be filled. The City increased its home rule sales tax by 0.5% to 1.25% which took effect starting July 1, 2024, providing an ongoing funding source for the new positions, as well as to supplement the annual road improvement program. This is the first home rule sales tax increase since its inception in 2008.

With the aging of the City's water meters, the City has undertaken a program to replace all existing water meters in the City with an Advanced Metering Infrastructure system. This upgraded system will ensure accurate water readings, streamline the meter reading process, and provide customers with the opportunity to better monitor their own water usage. In April 2025, the City issued $9.91 million in general obligation bonds to finance the project. The additional captured water consumption from the new system is expected to generate enough additional revenue to offset the debt service costs.

To keep the fiscal period 2024B budget balanced, the City of Crystal Lake continues to utilize spending control measures that include taking advantage of cooperative purchasing opportunities through joint purchasing agreements, seeking competitive bids, and avoid filling vacated positions unless they are critical to City operations. Whenever possible, grant funding is sought to offset program and project costs.

The fiscal period 2024B budget continues funding General Fund services without the use of a General Fund property tax. General Fund services include Police, Community Development, Streets, Storm Sewers, Fleet and Facilities Maintenance, as well as Legal, City Administration and the Three Oaks Recreation Area. In order to mitigate tax increases, one-time capital and equipment replacement expenditures are continue to be funded using unassigned fund balance and/or bond proceeds. Bonds are not be used to finance operating deficits and fund balances are maintained in accordance with City financial policies.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Jodie Hartman, Director of Finance, 100 W. Woodstock Street, Crystal Lake, Illinois 60014.

BASIC FINANCIAL STATEMENTS

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF NET POSITION

December 31, 2024

	Governmental Activities	Business-Type Activities	Total	Component Unit Crystal Lake Public Library
ASSETS				
Cash and Investments	$ 65,726,361	$ 22,530,895	$ 88,257,256	$ 7,419,653
Receivables (Net, Where Applicable, of Allowances for Uncollectible)				
Property Taxes	16,006,844	-	16,006,844	5,193,355
Accounts Receivable	2,551,341	4,053,784	6,605,125	7,082
Accrued Interest	341,713	128,964	470,677	46,334
Leases	1,745,147	3,524,617	5,269,764	-
Other	372,639	-	372,639	-
Internal Balances	(1,517,986)	1,517,986	-	-
Due from Other Governments	8,638,847	-	8,638,847	-
Due from Primary Government	-	-	-	62,695
Due from Fiduciary Funds	19,703	-	19,703	
Prepaid Items	6,771,868	284,688	7,056,556	47,989
Inventory	104,005	-	104,005	-
Investment in Joint Venture	4,598,094	-	4,598,094	-
Capital Assets Not Being Depreciated	108,347,869	11,703,836	120,051,705	2,472,561
Capital Assets (Net of Accumulated Depreciation)	89,202,588	82,436,167	171,638,755	4,968,252
Total Assets	302,909,033	126,180,937	429,089,970	20,217,921
DEFERRED OUTFLOWS OF RESOURCES				
OPEB Items	1,747,179	124,002	1,871,181	56,040
Pension Items - IMRF	3,576,530	1,596,413	5,172,943	1,340,229
Pension Items - Police Pension	4,122,037	-	4,122,037	-
Pension Items - Firefighters' Pension	4,772,221	-	4,772,221	-
Well Asset Retirement Obligation	-	896,167	896,167	-
Total Deferred Outflows of Resources	14,217,967	2,616,582	16,834,549	1,396,269
Total Assets and Deferred Outflows of Resources	317,127,000	128,797,519	445,924,519	21,614,190

(This statement is continued on the following page.)

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF NET POSITION (Continued)

December 31, 2024

	Governmental Activities	Business-Type Activities	Total	Component Unit: Crystal Lake Public Library
LIABILITIES				
Accounts Payable	$ 7,286,906	$ 1,608,730	$ 8,895,636	$ 176,943
Recapture Fees Payable	75,596	-	75,596	-
Accrued Salaries	1,173,715	139,387	1,313,102	144,700
Accrued Interest Payable	16,528	92,186	108,714	-
Escrows and Refundable Deposits	878,028	181,346	1,059,374	14,443
Due to Component Unit	62,595	-	62,595	-
Unearned Revenue	121,724	743,832	865,556	-
Long-Term Liabilities				
Due Within One Year	4,344,748	2,747,765	7,092,513	187,454
Due in More than One Year	69,075,467	36,854,621	105,930,088	2,182,479
Total Liabilities	83,035,307	42,367,867	125,403,174	2,706,019
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows - Property Taxes	16,006,844	-	16,006,844	5,193,355
Deferred Inflows - Leases	1,661,986	3,264,092	4,926,078	-
OPEB Items	712,196	50,547	762,743	22,843
Pension Items - IMRF	11,111	4,959	16,070	4,163
Pension Items - Police Pension	1,696,030	-	1,696,030	-
Pension Items - Firefighters' Pension	4,153,274	-	4,153,274	-
Total Deferred Inflows of Resources	24,241,441	3,319,598	27,561,039	5,220,361
Total Liabilities and Deferred Inflows of Resources	107,276,748	45,687,465	152,964,213	7,926,380
NET POSITION				
Net Investment in Capital Assets	188,351,947	62,311,102	250,663,049	7,440,813
Restricted				
Retirement Purposes	1,425,235	-	1,425,235	664,413
Public Safety	916,558	-	916,558	-
Parking	55,926	-	55,926	-
Highway and Street Maintenance	4,144,197	-	4,144,197	-
Park Development	1,272,817	-	1,272,817	-
Capital Projects Funds	140,091	-	140,091	-
Library	-	-	-	1,854,639
Unrestricted	13,543,481	20,798,952	34,342,433	3,727,945
TOTAL NET POSITION	$ 209,850,252	$ 83,110,054	$ 292,960,306	$ 13,687,810

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF ACTIVITIES

For the Eight Months Ended December 31, 2024

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	$ 6,607,702	$ 530,052	$ 21,800	$ -
Public Safety	21,450,742	6,735,183	57,594	-
Highways and Streets	8,415,627	603,843	1,236,094	-
Culture and Recreation	1,556,194	565,835	-	-
Interest	105,744	-	-	-
Total Governmental Activities	38,136,009	8,434,913	1,315,488	-
Business-Type Activities				
Waterworks and Sewerage	9,398,839	11,439,343	-	-
Total Business-Type Activities	9,398,839	11,439,343	-	-
TOTAL PRIMARY GOVERNMENT	$ 47,534,848	$ 19,874,256	$ 1,315,488	$ -
COMPONENT UNIT				
Crystal Lake Public Library	$ 3,111,228	$ 156,780	$ 62,299	$ -

	Net (Expense) Revenue and Change in Net Position			
	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Crystal Lake Public Library
	$ (6,055,850)	$ -	$ (6,055,850)	$ -
	(14,657,965)	-	(14,657,965)	-
	(6,575,690)	-	(6,575,690)	-
	(990,359)	-	(990,359)	-
	(105,744)	-	(105,744)	-
	(28,385,608)	-	(28,385,608)	-
	-	2,040,504	2,040,504	-
	-	2,040,504	2,040,504	-
	(28,385,608)	2,040,504	(26,345,104)	-
	-	-	-	(2,892,149)
General Revenues				
Taxes				
Property	15,750,945	-	15,750,945	5,064,067
Home Rule Sales	7,614,329	-	7,614,329	-
Auto Rental	46,878	-	46,878	-
Franchise Fees	304,973	-	304,973	-
Telecommunications Fee	353,276	-	353,276	-
Hotel Occupation	389,252	-	389,252	-
Other	438,161	1,444,854	1,883,015	-
Intergovernmental				
Personal Property Replacement	178,412	-	178,412	-
State Sales and Use	12,009,139	-	12,009,139	-
State Income Tax	4,569,869	-	4,569,869	-
ARPA	-	3,108,262	3,108,262	-
Investment Income	1,984,179	797,866	2,782,045	235,271
Miscellaneous	1,751,171	135,138	1,886,309	78,505
Transfers In (Out)	(1,163,284)	1,163,284	-	-
Total	44,227,300	6,649,404	50,876,704	5,377,843
CHANGE IN NET POSITION	15,841,692	8,689,908	24,531,600	2,485,694
NET POSITION, MAY 1, AS REPORTED	194,768,509	74,567,375	269,335,884	11,470,978
Change in Accounting Principle	(791,005)	(147,229)	(938,234)	(268,862)
Error Corrections	31,056	-	31,056	-
Total Restatements	(759,949)	(147,229)	(907,178)	(268,862)
NET POSITION, MAY 1, AS RESTATED	194,008,560	74,420,146	268,428,706	11,202,116
NET POSITION, DECEMBER 31	$ 209,850,252	$ 83,110,054	$ 292,960,306	$ 13,687,810

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

December 31, 2024

	General	Fire Rescue Fund	Capital Equipment and Replacement	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
ASSETS					
Cash and Investments	$ 12,475,886	$ 13,279,471	$ 22,615,748	$ 15,439,285	$ 63,810,390
Receivables (Net of Allowance Where Applicable)					
Property Taxes	6,246,551	7,603,707	-	2,156,586	16,006,844
Accounts Receivable	542,891	1,834,676	-	113,154	2,490,721
Accrued Interest	284,241	57,356	-	116	341,713
Leases	1,745,147	-	-	-	1,745,147
Other	-	-	170,624	202,015	372,639
Due from Other Governments	8,422,010	-	49,204	167,633	8,638,847
Due from Other Funds	33,344	-	263,744	10,505	307,593
Due from Fidiciary Funds	-	-	-	19,703	19,703
Advance from Other Funds	168,561	-	-	-	168,561
Prepaid Items	5,118,541	40,335	7,288	1,028,228	6,194,392
Inventory	104,005	-	-	-	104,005
TOTAL ASSETS	$ 35,141,177	$ 22,815,545	$ 23,106,608	$ 19,137,225	$ 100,200,555

(This statement is continued on the following page.)

CITY OF CRYSTAL LAKE, ILLINOIS

BALANCE SHEET (Continued)
GOVERNMENTAL FUNDS

December 31, 2024

	General	Fire Rescue Fund	Capital Equipment and Replacement	Nonmajor Governmental Funds	Total Governmental Funds
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	$ 2,921,487	$ 865,423	$ 3,252,602	$ 235,535	$ 7,275,047
Recapture Fees Payable	-	-	-	75,596	75,596
Accrued Salaries	734,706	439,009	-	-	1,173,715
Escrows and Refundable Deposits	878,028	-	-	-	878,028
Due to Component Unit	62,595	-	-	-	62,595
Due to Other Funds	500,939	7,493	48,603	1,268,544	1,825,579
Advance to Other Funds	-	-	-	168,561	168,561
Unearned Revenue	30,000	91,724	-	-	121,724
Total Liabilities	5,127,755	1,403,649	3,301,205	1,748,236	11,580,845
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Tax	6,246,551	7,603,707	-	2,156,586	16,006,844
Deferred Inflow - Leases	1,661,986	-	-	-	1,661,986
Total Deferred Inflows of Resources	7,908,537	7,603,707	-	2,156,586	17,668,830
Total Liabilities and Deferred Inflows of Resources	13,036,292	9,007,356	3,301,205	3,904,822	29,249,675
FUND BALANCES					
Nonspendable					
Prepaid Items	5,118,541	40,335	7,288	1,028,228	6,194,392
Inventory	104,005	-	-	-	104,005
Advances	168,561	-	-	-	168,561
Restricted					
Retirement Purposes	-	-	-	1,425,235	1,425,235
Public Safety	-	-	-	916,558	916,558
Parking	-	-	-	55,926	55,926
Highway and Street Maintenance	-	-	-	4,144,197	4,144,197
Park Development	-	-	-	1,272,817	1,272,817
Capital Projects Funds	-	-	-	140,091	140,091
Committed					
Capital Facilities	1,013,375	1,236,584	-	-	2,249,959
Assigned					
Promotion of Tourism	432,301	-	-	-	432,301
Historical Preservation Services	12,290	-	-	-	12,290
Capital Projects Funds	-	-	19,798,115	6,100,771	25,898,886
Special Revenue Funds	-	12,531,270	-	304,981	12,836,251
Subsequent Year's Budget	1,729,593	-	-	-	1,729,593
Unassigned					
General Fund	13,526,219	-	-	-	13,526,219
Unassigned (Deficit)	-	-	-	(156,401)	(156,401)
Total Fund Balances	22,104,885	13,808,189	19,805,403	15,232,403	70,950,880
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 35,141,177	$ 22,815,545	$ 23,106,608	$ 19,137,225	$ 100,200,555

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

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

December 31, 2024

FUND BALANCES OF GOVERNMENTAL FUNDS	$ 70,950,880
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	197,550,457
Investment in joint venture is not considered to represent a financial resource and, therefore, is not reported in the funds	4,598,094
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Bonds Payable	(4,483,007)
Lease Liability	(741,834)
SBITA Liability	(299,322)
Installment Contract Payable	(119,398)
Compensated Absences Payable	(3,649,748)
Interest Payable	(16,528)
Premiums or discounts on long-term liabilities and gains and losses on debt refundings are capitalized and amortized at the government-wide level	
Premiums	(350,345)
The net pension liability for the Illinois Municipal Retirement Fund is shown as a liability on the statement of net position	(4,837,729)
The other postemployment benefit liability is shown as a liability on the statement of net position	(6,025,462)
The net pension liability for the Police Pension Fund is shown as a liability on the statement of net position	(36,258,914)
The net pension liability for the Firefighters' Pension Fund is shown as a liability on the statement of net position	(16,654,456)
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings and contributions after the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows of resources on the statement of net position	3,565,419
Differences between expected and actual experiences and assumption changes for the Other Postemployment Benefit Plan are recognized as deferred outflows and inflows of resources on the statement of net position	1,034,983
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings for the Police Pension Fund are recognized as deferred outflows and inflows of resources on the statement of net position	2,426,007
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings for the Firefighters' Pension Fund are recognized as deferred outflows and inflows of resources on the statement of net position	618,947
The net position of the Internal Service Fund is included in the governmental activities in the statement of net position	2,542,208
NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 209,850,252

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

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

For the Eight Months Ended December 31, 2024

	General	Fire Rescue Fund	Capital Equipment and Replacement	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Property Taxes	$ 5,898,176	$ 7,563,877	$ -	$ 2,288,892	$ 15,750,945
Other Taxes	8,918,215	-	186,805	41,849	9,146,869
Intergovernmental	16,806,140	-	21,800	1,276,103	18,104,043
Charges for Services	907,515	6,261,191	-	73,704	7,242,410
Licenses and Permits	738,147	-	69,100	38	807,285
Fines and Forfeitures	315,393	-	-	38,690	354,083
Investment Income	1,301,842	429,249	-	253,088	1,984,179
Miscellaneous	825,413	169,904	148,824	530,865	1,675,006
Total Revenues	35,710,841	14,424,221	426,529	4,503,229	55,064,820
EXPENDITURES					
Current					
General Government	4,791,448	-	-	573,757	5,365,205
Public Safety	14,169,054	8,157,596	-	236,548	22,563,198
Highways and Streets	4,413,475	-	-	507,666	4,921,141
Culture and Recreation	691,099	-	-	9,114	700,213
Capital Outlay	-	-	11,380,534	920,337	12,300,871
Debt Service					
Principal	66,676	-	60,004	1,192,013	1,318,693
Interest and Fiscal Charges	9,887	-	1,854	248,304	260,045
Total Expenditures	24,141,639	8,157,596	11,442,392	3,687,739	47,429,366
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	11,569,202	6,266,625	(11,015,863)	815,490	7,635,454
OTHER FINANCING SOURCES (USES)					
Transfers In	202,603	-	13,618,695	5,260,677	19,081,975
Transfers (Out)	(13,354,687)	(1,140,247)	-	(5,750,325)	(20,245,259)
Lease Issuance	-	-	87,494	158,203	245,697
SBITA Issuance	-	-	359,326	-	359,326
Installment Contract Issuance	-	-	119,398	-	119,398
Sale of Capital Assets	-	-	24,442	63,280	87,722
Total Other Financing Sources (Uses)	(13,152,084)	(1,140,247)	14,209,355	(268,165)	(351,141)
NET CHANGE IN FUND BALANCES	(1,582,882)	5,126,378	3,193,492	547,325	7,284,313
FUND BALANCE, MAY 1, AS REPORTED	23,687,767	8,681,811	16,095,099	14,685,078	63,149,755
Error Correction	-	-	516,812	-	516,812
FUND BALANCE, MAY 1, AS RESTATED	23,687,767	8,681,811	16,611,911	14,685,078	63,666,567
FUND BALANCES, DECEMBER 31	$ 22,104,885	$ 13,808,189	$ 19,805,403	$ 15,232,403	$ 70,950,880

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

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

For the Eight Months Ended December 31, 2024

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	$ 7,284,313
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	9,338,921
Proceeds from the disposal of capital assets is reported in the governmental funds, but gain or loss on the disposal of capital assets is calculated and reported in the statement of activities	(146,404)
The repayment of principal portion of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	1,318,693
The forgivness of principal on long-term debt is reported in the statement of activities	76,165
The issuance of long-term debt and related costs are shown on the fund financial statements as other financing sources (uses) and current expenditures, but are recorded as long-term liabilities and deferred outflows of resources on the government-wide statements	
Lease Liability	(245,697)
SBITA Liability	(359,326)
Installment Contract	(119,398)
The change in accrued interest payable is reported as interest expense on the statement of activities	67,673
The change in compensated absences is an increase of expenses on the statement of activities	48,421
The change in other postemployment benefit liability and deferred outflows/inflows of resources is not a source or use of a financial resource and is reported on the statement of activities	(181,435)
The change in Illinois Municipal Retirement Fund net pension liability and deferred outflows/ inflows of resources is not a source or use of a financial resource and is reported on the statement of activities	432,217
The change in Police Pension Fund net pension liability and deferred outflows/inflows of resources is not a source or use of a financial resource and is reported on the statement of activities	485,588
The change in Firefighters' Pension Fund net pension liability and deferred outflows/inflows of resources is not a source or use of a financial resource and is reported on the statement of activities	286,030
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Depreciation and amortization	(3,081,270)
Amortization of bond premiums	86,628
The change in net position of Internal Service Funds is reported in governmental activities	550,573
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 15,841,692

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

December 31, 2024

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage Fund	Internal Service
CURRENT ASSETS		
Cash and Investments	$ 22,530,895	$ 1,915,971
Receivables		
Accounts	4,053,784	60,620
Accrued Interest	128,964	-
Leases	3,524,617	-
Prepaid Items	284,688	577,476
Due from Other Funds	1,548,084	-
Total Current Assets	32,071,032	2,554,067
NONCURRENT ASSETS		
Capital Assets		
Capital Assets Not Being Depreciated	11,703,836	-
Capital Assets Being Depreciated, Net	82,436,167	-
Net Capital Assets	94,140,003	-
Total Noncurrent Assets	94,140,003	-
Total Assets	126,211,035	2,554,067
DEFERRED OUTFLOWS OF RESOURCES		
OPEB Items	124,002	-
Pension Items - IMRF	1,596,413	-
Well Asset Retirement Obligation	896,167	-
Total Deferred Outflows of Resources	2,616,582	-
Total Assets and Deferred Outflows of Resources	128,827,617	2,554,067

(This statement is continued on the following page.)

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF NET POSITION (Continued)
PROPRIETARY FUNDS

December 31, 2024

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage Fund	Internal Service
CURRENT LIABILITIES		
Accounts Payable	$ 1,608,730	$ 11,859
Accrued Salaries	139,387	-
Accrued Interest Payable	92,186	-
Escrows and Customer Deposits	181,346	-
Unearned Revenue	743,832	-
Due to Other Funds	30,098	-
General Obligation Bonds Payable	1,550,484	-
IEPA Loan Payable	704,837	-
Lease Liability	103,514	-
Compensated Absences	369,321	-
Total OPEB Liability	19,609	-
Total Current Liabilities	5,543,344	11,859
LONG-TERM LIABILITIES		
General Obligation Bonds Payable	16,243,577	-
IEPA Loan Payable	16,801,398	-
Lease Liability	95,793	-
Well Asset Retirement Obligation	950,000	-
Compensated Absences	195,957	-
IMRF Net Pension Liability	2,159,359	-
Total OPEB Liability	408,537	-
Total Long-Term Liabilities	36,854,621	-
Total Liabilities	42,397,965	11,859
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows - Leases	3,264,092	-
OPEB Items	50,547	-
Pension Items - IMRF	4,959	-
Total Deferred Inflows of Resources	3,319,598	-
Total Liabilities and Deferred Inflows and Resources	45,717,563	11,859
NET POSITION		
Net Investment in Capital Assets	62,311,102	-
Unrestricted	20,798,952	2,542,208
TOTAL NET POSITION	$ 83,110,054	$ 2,542,208

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

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

For the Eight Months Ended December 31, 2024

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage Fund	Internal Service
OPERATING REVENUES		
Charges for Services	$ 10,436,503	$ 4,243,340
Miscellaneous Income	135,138	189,097
Total Operating Revenues	10,571,641	4,432,437
OPERATING EXPENSES		
Administration	359,801	3,883,023
Water Operations	3,259,480	-
Sewer Operations	2,261,349	-
Depreciation and Amortization	2,866,866	-
Well ARO Amortization	6,333	-
Total Operating Expenses	8,753,829	3,883,023
OPERATING INCOME	1,817,812	549,414
NON-OPERATING REVENUES (EXPENSES)		
Interest Expense	(561,880)	-
Loss on Disposal of Capital Assets	(83,130)	
Other Tax	1,444,854	-
Investment Income	797,866	1,159
Connection Fees	884,491	-
Grants	3,108,262	-
Rental Income	118,349	-
Total Non-Operative Revenues (Expenses)	5,708,812	1,159
NET INCOME BEFORE TRANSFERS	7,526,624	550,573
TRANSFERS IN	1,163,284	-
CHANGE IN NET POSITION	8,689,908	550,573
NET POSITION, MAY 1, AS REPORTED	74,567,375	1,991,635
Change in Accounting Principle	(147,229)	-
NET POSITION, MAY 1, AS RESTATED	74,420,146	1,991,635
NET POSITION, DECEMBER 31	$ 83,110,054	$ 2,542,208

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUND

For the Eight Months Ended December 31, 2024

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage Fund	Internal Service
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	$ 10,296,701	$ 757,062
Receipts from Internal Service Transactions	-	3,486,829
Receipts from Miscellaneous Revenues	135,138	189,097
Payments to Suppliers	(3,136,392)	(4,040,837)
Payments to Employees	(3,127,190)	-
Net Cash from Operating Activities	4,168,257	392,151
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Amounts Received from (Paid to) Other Funds	(1,288,857)	-
Transfer in	1,163,284	-
Other Tax	1,444,854	-
Connection Charges	884,491	-
Grants	120,455	-
Net Cash from Noncapital Financing Activities	2,324,227	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital Assets Purchased	(9,972,122)	-
Proceeds from sale of capital assets	32,290	
Principal Payments on Long-Term Debt	(2,922,592)	-
Interest Payments on Long-Term Debt	(883,138)	-
Net Cash from Capital and Related Financing Activities	(13,745,562)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investment Securities	(2,807,079)	-
Proceeds from Sale and Maturities of Investment Securities	5,223,384	-
Interest Received	485,016	1,159
Net Cash from Investing Activities	2,901,321	1,159
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(4,351,757)	393,310
CASH AND CASH EQUIVALENTS, MAY 1	15,269,745	1,522,661
CASH AND CASH EQUIVALENTS, DECEMBER 31	$ 10,917,988	$ 1,915,971

(This statement is continued on the following page.)

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUNDS

For the Eight Months Ended December 31, 2024

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage Fund	Internal Service
CASH AND INVESTMENTS		
Cash and Cash Equivalents	$ 10,917,988	$ 1,915,971
Investments	11,612,907	-
TOTAL CASH AND INVESTMENTS	$ 22,530,895	$ 1,915,971
NONCASH TRANSACTIONS		
Capital Assets Purchased in Accounts Payable	$ 1,126,765	$ -
Assets Aquired through Lease	61,122	-
TOTAL NONCASH TRANSACTIONS	$ 1,187,887	$ -
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating Income	$ 1,817,812	$ 549,414
Adjustments to Reconcile Operating Income to Net Cash From Operating Activities		
Depreciation and Amortization	2,866,866	-
Well ARO Amortization	6,333	-
Changes in Assets and Liabilities		
Receivables	(128,177)	551
Prepaids	(69,541)	(169,673)
Deferred Outflows of Resources -		
Pension Items - IMRF	(192,924)	-
OPEB	4,315	-
Accounts Payable	(155,868)	11,859
Accrued Salaries	51,332	-
Accrued Compensated Absences	(43,652)	-
Total OPEB Liability	27,021	-
Deferred Inflows of Resources		
OPEB	(3,635)	-
Customer Deposits	(11,625)	-
NET CASH FROM OPERATING ACTIVITIES	$ 4,168,257	$ 392,151

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF NET POSITION
FIDUCIARY FUNDS

December 31, 2024

	Pension Trust Funds	Custodial Funds
ASSETS		
Cash and Short-Term Investments	$ 864,196	$ 654,677
Investments, at Fair Value		
Investments Held in the Illinois Police Officers' Pension Investment Fund	58,809,512	-
Investments Held in the Illinois Firefighters' Pension Investment Fund	61,811,994	-
Receivables		
Accounts Receivable	-	18
Prepaid Expenses	7,446	-
Total Assets	121,493,148	654,695
LIABILITIES		
Accounts Payable	4,443	-
Due to City	19,703	-
Total Liabilities	24,146	-
NET POSITION		
Restricted for Pensions	121,469,002	-
Restricted for Debt Service	-	654,695
TOTAL NET POSITION	$ 121,469,002	$ 654,695

See accompanying notes to financial statements.

CITY OF CRYSTAL LAKE, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS

For the Eight Months Ended December 31, 2024

	Pension Trust Funds	Custodial Funds
ADDITIONS		
Contributions		
Employer	$ 5,898,176	$ -
Employee	915,688	-
Property Owner	-	179,758
Total Contributions	6,813,864	179,758
Investment Income		
Net Appreciation in Fair Value of Investments	8,430,084	-
Interest	1,073,526	14,426
Total Investment Income	9,503,610	14,426
Less Investment Expense	(108,680)	-
Net Investment Income	9,394,930	14,426
Total Additions	16,208,794	194,184
DEDUCTIONS		
Pension Benefits	4,932,944	-
Miscellaneous	61,225	-
Debt Service		
Interest and Fiscal Charges	-	39,879
Total Deductions	4,994,169	39,879
NET INCREASE	11,214,625	154,305
NET POSITION		
May 1	110,254,377	500,390
December 31	$ 121,469,002	$ 654,695

See accompanying notes to financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The City was incorporated in 1914. The City is a home-rule community operating under a Council-Manager form of government and provides services that include police, fire, water and sewer utility, street maintenance, community development and general administrative services.

As required by GAAP, these financial statements present the City (the primary government) and its component units. As defined by GAAP and established by GASB, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Financial accountability is defined as:

1) Appointment of a voting majority of the component unit's board and either (a) the ability to impose will by the primary government or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or

2) Fiscal dependency on the primary government

Police Pension Employees Retirement System

The City's police employees participate in the Police Pension Employees Retirement System (PPERS), a fiduciary component unit of the City. PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the City's Mayor, one elected by pension beneficiaries and two elected police employees constitute the pension board. The City is obligated to fund all PPERS costs not funded by PPERS participants based upon actuarial valuations, which creates a financial burden on the City. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels, which results in the PPERS being fiscally dependent upon the City. PPERS is reported as a pension trust fund. PPERS does not issue a stand-alone financial report.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

Firefighters' Pension Employees Retirement System

The City's sworn firefighters participate in Firefighters' Pension Employees Retirement System (FPERS), a fiduciary component unit of the City. FPERS functions for the benefit of these employees and is governed by a five-member pension board.

Two members appointed by the City's Mayor, one elected pension beneficiary and two elected fire employees constitute the pension board. The City is obligated to fund all FPERS costs not funded by FPERS participants based upon actuarial valuations, which creates a financial burden on the City. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels, which results in the FPERS being fiscally dependent on the City. FPERS is reported as a pension trust fund. FPERS does not issue a stand-alone financial report.

Discretely Presented Component Unit

The City's component unit is reported in a separate column to emphasize that it is legally separate from the City.

The Crystal Lake Public Library (Library) is governed by a nine-member Board of Trustees appointed by the Mayor of the City. The Library is financially accountable to the City, as the City's approval is needed for the Library to issue bonded debt. The Library's fiscal year end is the same as the City's. Separate financial statements for the Library are not available.

Other Governmental Entities

Several other governmental entities have operations within the City but are separate legal entities. These entities include School District Nos. 47 and 155, Crystal Lake Civic Center Authority and the Crystal Lake Park District. The City is not financially accountable for these entities nor is there a financial benefit/burden relationship with these entities and, therefore, they are not included in the City's reporting entity. In addition, the City does not believe that it is a component unit of any other entity.

B. Fund Accounting

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting (Continued)

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

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

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

Fiduciary funds are used to account for fiduciary activities that meet the definition contained in GASB Statement No. 84, *Fiduciary Activities*. The City utilizes pension trust funds (for its Police and Firefighters' Pension Funds) and custodial funds (for its Special Service Area debt service funds), which are generally used to account for assets that the City holds in a fiduciary capacity.

C. Government-Wide and Fund Financial Statements

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund. The service administered by the City and accounted for in the General Fund include general government, public safety and public works.

The Fire Rescue Fund accounts for revenues and expenditures related to fire protection, ambulance response and emergency rescue operations.

The Capital Equipment and Replacement Fund accounts for revenues for and expenditures related to major capital improvements.

The City reports the following major proprietary funds:

The Waterworks and Sewerage Fund accounts for all provision of water and sewer services to the residents of the City. 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 and billing and collection.

Additionally, the City reports the following Internal Service Funds:

The Internal Service Fund accounts for the City's group health insurance provided to other departments of the City on a cost reimbursement basis. These funds are reported as part of the governmental activities on the government-wide financial statements as they provide services to the City's governmental funds/activities.

The City reports pension trust funds as fiduciary component units to account for the Police Pension Fund and Firefighters' Pension Fund. Furthermore, the City reports three Special Service Area debt service funds as custodial funds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales taxes and telecommunication taxes which use a 90-day period.

Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

Property taxes, sales taxes and telecommunication taxes owed to the state by others at year end, franchise taxes, licenses, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Fines and permit revenue are considered to be measurable and available only when cash is received by the City.

In applying the susceptible to accrual concept to intergovernmental revenues (e.g., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures/expenses recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are generally revocable only for failure to comply with prescribed eligibility requirements, such as equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the eligibility criterion.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

E. Cash and Investments

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the City's enterprise fund considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

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

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

F. Interfund Receivables/Payables

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Inventories

Inventories are valued at cost, which approximates market, using the average cost method on a first-in/first-out (FIFO) basis. Inventories are accounted for under the consumption method, whereby acquisitions are recorded in inventory accounts initially and charged as expenditures when used.

H. Prepaid Items

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

I. Tangible and Intangible Capital Assets

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, storm sewers and similar items) and intangible assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost in excess of $25,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

	Years
Buildings and Improvements	25-50
Machinery, Equipment and Vehicles	3-15
Infrastructure - Streets and Bridges	50-80
Infrastructure - Water and Sewer System	60
Intangible Assets	2-5

Intangible assets represent the Village's right-to-use leased assets and software subscriptions. These intangible assets, as defined by GASB Statement No. 87, *Leases*, and GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, are for lease contracts of nonfinancial assets including machinery and equipment and software.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Compensated Absences

The City implemented GASB Statement 101, *Compensated Absences,* in 2024. Vested or accumulated vacation and sick leave that is due to employees who have retired or terminated by the end of the year is reported as an expenditure and a fund liability of the governmental fund that will pay it. Vested or accumulated vacation and sick leave of proprietary funds and governmental activities is recorded as an expense and liability of those funds as the benefits accrue to employees. The entire balance of vacation leave is recognized as a liability at year end. A liability is recognized for the portion of accumulating sick leave benefits that is estimated to be more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

As a result of the implementation of GASB Statement 101, *Compensated Absences*, beginning net position was restated. See footnote 6 and 18 for additional information.

K. Long-Term Obligations

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

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as 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 expenditures.

L. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose or externally imposed by outside entities or from enabling legislation adopted by the City. Committed fund balance is constrained by formal actions of the City Council, which is considered the City's highest level of decision-making authority. Formal actions

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Fund Balance/Net Position (Continued)

include ordinances approved by the City Council. Assigned fund balance represents amounts constrained by the City's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the City's Manager and Finance Director. Any residual fund balance in the General Fund, including fund balance targets and any deficit fund balance of any other governmental fund is reported as unassigned. In accordance with the City's fund balance policy, the unassigned General Fund balance will be maintained at a target level of 25% to 50% of annual budgeted expenditures. Balances in excess of 50% may be transferred to the Capital Replacement Fund to support future capital projects.

The City's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the City considers committed funds to be expended first followed by assigned funds and then unassigned funds.

In the government-wide financial statements, restricted net positions are legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any outstanding long-term debt issued to acquire or construct the capital assets.

M. Deferred Outflows/Inflows of Resources

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

N. Interfund Transactions

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions 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.

2. DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds, except the Pension Trust Funds. The deposits and investments of the Pension Trust Funds are held separately from those of other funds and are controlled by the respective pension boards.

The City is limited to investments allowed by Illinois Compiled Statutes (ILCS). The City's investment policy further restricts what it may invest in to the following types of investment instruments: U.S. Government obligations, U.S. Government agency obligations and U.S. Government instrumentality obligations, which have a high liquid market with readily determinable fair value, interest-bearing savings accounts, interest-bearing certificates of deposit or interest-bearing time deposits or any other investment constituting director obligations of any bank that is insured by the FDIC, local government investment pools, either state-administered or through join powers statutes or other intergovernmental agreement legislation and investment-grade obligations (rated A or better) of state, provincial and local government and public authorities, The Illinois Funds and the Illinois Metropolitan Investment Fund (IMET), a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold. The City's investment policy does limit their deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance.

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

2. DEPOSITS AND INVESTMENTS (Continued)

A. City Deposits with Financial Institutions

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's deposit policy requires that funds on deposit in excess of FDIC limits be secured by some form of collateral. The City shall enter into a collateral agreement with the financial institution; and the agreement shall outline the types of assets that may be utilized as collateral, the amount of collateral required, and the methodology. The amount of collateral provided would not be less than 105% of the fair value of the net amount of public funds secured. Pledged collateral will be held by the City or in safekeeping and evidenced by a written agreement. If collateral is held in safekeeping, it must be held at an independent third-party institution. A collateral agreement will preclude the release of the pledged assets, without an authorized signature from the City, but the agreement will allow for an exchange of collateral of like value. The City will accept any of the following assets as collateral: negotiable obligations of the United States Government and negotiable obligations of any agency or instrumentality of the United States Government guaranteed by the full faith and credit of the United States Government.

B. City Investments

The following table presents the investments and maturities of the City's debt securities as of December 31, 2024:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less than 1	1-5	6-10	Greater than 10
U.S. Treasury Securities	$ 23,715,046	$ 4,175,614	$ 19,539,432	$ -	$ -
U.S. Agency Securities	19,450,604	5,613,170	13,837,434	-	-
Certificates of Deposits	16,493,497	6,337,277	10,156,220	-	-
Municipal Bonds	4,850,389	3,002,959	1,847,430	-	-
TOTAL	$ 64,509,536	$ 19,129,020	$ 45,380,516	$ -	$ -

The City has the following recurring fair value measurements as of December 31, 2024: The U.S. agency obligations, U.S. Treasury obligations, the municipal obligations and the negotiable CDs are valued using quoted matrix pricing models (Level 2 inputs).

In accordance with its investment policy, the City limits its exposure to interest rate risk by limiting the weighted average maturity of the portfolio to no more than two years and limits the maximum maturity of any investment to three years from the date of purchase, unless matched to a specific future cash flow need, as a means of managing its exposure to fair value losses arising from increasing interest rates.

2. DEPOSITS AND INVESTMENTS (Continued)

B. City Investments (Continued)

The City limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by limiting investment in commercial paper and corporate bonds to the top three ratings issued by nationally recognized statistical rating organizations (NRSROs).

The U.S. agency obligations are rated Aaa, the municipal bonds are rated Aa2 to AAA or not rated. The U.S. Treasury securities and negotiable CDs are not rated.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the City will not be able to recover the value of its investments that are in the possession of an outside party. The City's policy requires that all security transactions, including collateral for repurchase agreements, be held by an independent third-party custodian designated by the City and evidenced by safekeeping receipts and a written custodial agreement.

Concentration of credit risk is the risk that the City has a high percentage of their investments invested in one type of investment. The City's investment policy limits the amount the City may invest in any one issuer to 10% of the portfolio.

3. RECEIVABLES - PROPERTY TAXES

Property taxes for the 2024 levy year attach as an enforceable lien on January 1, 2024, on property value assessed as of the same date. Taxes are levied by December 31 of the subsequent fiscal year end by passage of a Tax Levy Ordinance. Tax bills are prepared by the County and issued on or about May 1 and August 1, and are payable in two installments, on or about June 1 and September 1. The County collects such taxes and remits them periodically.

The 2024 taxes are intended to finance the 2025 fiscal year and are not considered available or earned for current operations and, therefore, are shown as deferred revenue. The 2025 tax levy has not been recorded as a receivable at December 31, 2024, as the tax attached as a lien on property as of January 1, 2025; however, the tax will not be levied until December 2025 and, accordingly, is not measurable at December 31, 2024.

4. DUE FROM OTHER GOVERNMENTS

Due from other governments consisted of the following amounts at December 31, 2024:

GOVERNMENTAL ACTIVITIES	
Sales Tax	$ 4,469,087
Home Rule Sales Tax	3,366,972
Local Use Tax	367,565
Replacement Tax	7,140
Cannabis Tax	96,082
Motor Fuel Tax	151,214
Video Gaming Tax	49,204
Telecommunications Tax	131,583
TOTAL GOVERNMENTAL ACTIVITIES	$ 8,638,847

5. CAPITAL ASSETS

Capital asset activity for the eight months ended December 31, 2024, is as follows:

	Balances May 1, Restated*	Increases/ Transfers	Decreases/ Transfers	Balances December 31
GOVERNMENTAL ACTIVITIES				
Capital Assets Not Being Depreciated				
Land	$ 104,097,773	$ -	$ -	$ 104,097,773
Construction in Progress	5,023,434	5,793,839	6,567,177	4,250,096
Total Capital Assets Not Being Depreciated	109,121,207	5,793,839	6,567,177	108,347,869
Capital Assets Being Depreciated				
Buildings and Improvements	38,143,260	2,169,768	-	40,313,028
Machinery, Equipment and Vehicles	19,565,961	1,544,835	1,679,590	19,431,206
Infrastructure	86,775,570	5,622,233	-	92,397,803
Total Capital Assets Being Depreciated	144,484,791	9,336,836	1,679,590	152,142,037
Intangible Capital Assets Being Amortized				
Machinery and Equipment	2,622,114	245,701	643,819	2,223,996
Software	-	529,722	-	529,722
Total Intangible Assets Being Amortized	2,622,114	775,423	643,819	2,753,718
Total Tangible and Intangible Assets Being Depreciation and Amortized	147,106,905	10,112,259	2,323,409	154,895,755

5. CAPITAL ASSETS (Continued)

	Balances May 1, Restated*	Increases/ Transfers	Decreases/ Transfers	Balances December 31
GOVERNMENTAL ACTIVITIES (Continued)				
Less Accumulated Depreciation for				
Buildings and Improvements	$ 17,796,061	$ 639,854	$ -	$ 18,435,915
Machinery, Equipment and Vehicles	13,846,735	763,073	1,672,793	12,937,015
Infrastructure	31,580,822	1,140,053	-	32,720,875
Total Accumulated Depreciation	63,223,618	2,542,980	1,672,793	64,093,805
Less Accumulated Amortization for Intangible Capital Assets				
Machinery And Equipment	1,565,284	431,063	504,212	1,492,135
Software	-	107,227	-	107,227
Total Accumulated Amortization for Intangible Capital Assets	1,565,284	538,290	504,212	1,599,362
Total Accumulated Depreciation and Amortization	64,788,902	3,081,270	2,177,005	65,693,167
Total Capital Assets and Intangible Capital Assets Being Depreciated and Amortized, Net	82,318,003	7,030,989	146,404	89,202,588
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	$ 191,439,210	$ 12,824,828	$ 6,713,581	$ 197,550,457

*Certain beginning balances were restated as a result of error corrections. See Note 18 for additional information.

Depreciation and amortization expense was charged to governmental activities functions/programs of the primary government as follows:

GOVERNMENTAL ACTIVITIES	
General and Administrative	$ 358,087
Public Safety	930,650
Highways and Streets	1,396,583
Culture and Recreation	395,950
TOTAL DEPRECIATION AND AMORTIZATION EXPENSE - GOVERNMENTAL ACTIVITIES	$ 3,081,270

5. CAPITAL ASSETS (Continued)

	Balances May 1	Increases/ Transfers	Decreases/ Transfers	Balances December 31
BUSINESS-TYPE ACTIVITIES				
Capital Assets Not Being Depreciated				
Land	$ 2,209,776	$ -	$ -	$ 2,209,776
Construction in Progress	4,998,248	7,732,672	3,236,860	9,494,060
Total Capital Assets Not Being Depreciated	7,208,024	7,732,672	3,236,860	11,703,836
Capital Assets Being Depreciated				
Buildings and Improvements	37,226,061	-	-	37,226,061
Machinery, Equipment and Vehicles	11,088,227	631,993	688,133	11,032,087
Infrastructure	121,669,821	3,931,382	-	125,601,203
Total Capital Assets Being Depreciated	169,984,109	4,563,375	688,133	173,859,351
Intangible Capital Assets Being Amortized				
Machinery and Equipment	572,795	85,369	42,149	616,015
Total Intangible Assets Being Amortized	572,795	85,369	42,149	616,015
Total Tangible and Intangible Assets Being Depreciation and Amortized	170,556,904	4,648,744	730,282	174,475,366
Less Accumulated Depreciation for				
Buildings And Improvements	19,656,378	926,680	-	20,583,058
Machinery, Equipment and Vehicles	6,286,460	339,952	688,133	5,938,279
Infrastructure	63,610,805	1,494,366	-	65,105,171
Total Accumulated Depreciation	89,553,643	2,760,998	688,133	91,626,508
Less Accumulated Amortization for Intangible Capital Assets				
Machinery And Equipment	339,252	105,868	32,429	412,691
Total Accumulated Amortization for Intangible Capital Assets	339,252	105,868	32,429	412,691
Total Accumulated Depreciation and Amortization	89,892,895	2,866,866	720,562	92,039,199
Total Capital Assets and Intangible Capital Assets Being Depreciated and Amortized, Net	80,664,009	1,781,878	9,720	82,436,167
BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS, NET	$ 87,872,033	$ 9,514,550	$ 3,246,580	$ 94,140,003

The business-type activities depreciation and amortization expense of $2,866,866 was charged to the Waterworks and Sewerage Fund.

6. LONG-TERM DEBT

A. General Obligation Bonds

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

Issue	Fund Debt Retired by	Balances May 1	Issuances	Retirements	Balances December 31	Current Portion
$9,235,000 General Obligation Bonds of 2012, annual installments of $245,000 to $850,000 interest at 2.000% to 2.625% payable each June 15 and December 15.	General and Debt Service	$ 426,683	$ -	$ 43,676	$ 383,007	$ 44,516
	Waterworks and Sewerage	2,113,317	-	216,324	1,896,993	220,484
$14,330,000 General Obligation Bonds of 2019, annual installments of $270,000 to $1,860,000 interest at 3% to 5% payable each June 15 and December 15.	General and Debt Service	4,900,835	-	800,835	4,100,000	960,000
	Waterworks and Sewerage	4,769,165	-	114,165	4,655,000	-
$6,740,000 General Obligation, series 2022B, annual installments of $60,000 to $1,260,000, interest at 3.00% to 4.00% payable each June 15 and December 15.	Waterworks and Sewerage	6,740,000	-	1,260,000	5,480,000	810,000
$6,770,000 General Obligation Refunding Bonds of 2022C, annual installments of $495,000 to $645,000, interest at 2.650% payable each June 15 and December 15.	Waterworks and Sewerage	5,745,000	-	510,000	5,235,000	520,000
TOTAL GENERAL OBLIGATION BONDS		$ 24,695,000	$ -	$ 2,945,000	$ 21,750,000	$ 2,555,000

B. General Obligation Promissory Note

General Obligation Promissory Notes currently outstanding are as follows:

	Fund Debt Retired by	Balance May 1	Additions	Retirements	Balance December 31	Current Portion
$1,900,000 General Obligation Promissory Notes, Series 2015, annual installments of $210,000 to $230,000, interest at 2.151% payable each June 15 and December 15.	Waterworks and Sewerage	$ 230,000	$ -	$ 230,000	$ -	$ -
TOTAL		$ 230,000	$ -	$ 230,000	$ -	$ -

6. LONG-TERM DEBT (Continued)

C. IEPA Loan

The City, through the Illinois Environmental Protection Agency (IEPA), received a low interest loan to fund improvements to two of the City's wastewater treatment plants on a reimbursement basis. Under the terms of the agreement, the City can borrow up to $14,840,101. The City borrowed $14,779,811 and has total outstanding loans payable of $10,264,002 as of December 31, 2024. The loan is to be paid on a semi-annual basis over 20 years, including interest at 1.86%.

The City, through the IEPA, received a low interest loan to fund improvements to a water treatment plant on a reimbursement basis. Under the terms of the agreement, the City can borrow up to $7,409,500. A debt service maturity schedule is not yet available at December 31, 2024. The loan has total outstanding loan payable of $7,242,233 as of December 31, 2024. The loan is to be paid on a semi-annual basis over 20 years, including interest at 1.35%.

D. Debt Service Requirements to Maturity

Debt service requirements to maturity for the general obligation bonds is as follows:

Fiscal Year Ending December 31,	Governmental Activities General Obligation Bonds		Business-Type Activities General Obligation Bonds	
	Principal	Interest	Principal	Interest
2025	$ 1,004,516	$ 173,013	$ 1,550,484	$ 509,145
2026	1,050,356	133,723	1,274,644	458,556
2027	1,091,196	92,559	978,804	419,004
2028	1,137,036	49,720	797,964	391,281
2029	47,875	5,003	817,125	370,776
2030-2034	152,028	7,860	3,957,972	1,527,671
2035-2039	-	-	5,745,000	930,290
2040-2043	-	-	2,145,000	104,940
TOTAL	$ 4,483,007	$ 461,878	$ 17,266,993	$ 4,711,663

6. LONG-TERM DEBT (Continued)

D. Debt Service Requirements to Maturity (Continued)

Debt service requirements to maturity for IEPA loans is as follows:

Fiscal Year Ending December 31,	Business-Type Activities IEPA Loans Principal	Interest
2025	$ 704,837	$ 187,648
2026	718,008	174,477
2027	731,425	161,060
2028	745,093	147,392
2029	759,016	133,469
2030-2034	4,013,204	449,220
2035-2039	2,592,419	85,036
TOTAL	$ 10,264,002	$ 1,338,302

E. Lease Liability

The City entered into a fleet management lease agreement in June 2018. The agreement covers various individual leases for the right-to-use vehicles and equipment with varying lease terms. The leases have expirations dates ranging from May 2025 and February 2029. Payments ranging from $1,331 to $3,344 are due in monthly installments. The total intangible right-to-use assets for governmental activities and business type activities acquired under the fleet management agreement is $2,689,435.

The City entered into a lease arrangement in February 2023, for the right-to-use equipment. Payments of $21,437 are due in annual installments, through February 2025. The total intangible right-to-use assets for governmental activities and business type activities acquired under this agreement is $150,576.

The annual requirements to amortize to maturity leases outstanding for governmental activities and business type activities as of December 31, 2024, are as follows:

Fiscal Year Ending December 31,	Governmental Activities Leases Principal	Interest	Business-Type Activities Leases Principal	Interest
2025	$ 442,816	$ 40,442	$ 103,514	$ 13,057
2026	180,778	18,682	31,842	8,552
2027	100,112	5,591	36,296	4,769
2028	12,267	1,244	15,192	2,013
2029	5,861	43	12,463	509
TOTAL	$ 741,834	$ 66,002	$ 199,307	$ 28,900

6. LONG-TERM DEBT (Continued)

F. SBITA Liability

The City entered into various subscription arrangements for public safety in 2024. The subscription arrangements have expirations dates ranging from August 2026 through February 2029. Payments ranging from $15,082 to $20,832 are due in annual installments. The total intangible right-to-use assets for governmental activities under these agreements are $296,587.

The City entered into various subscription arrangements for general government in 2024. The subscription arrangements have expirations dates ranging from September 2027 through December 2027. Payments ranging from $24,619 to $25,200 are due in annual installments for one of the subscriptions arrangements, and payments ranging from $3,699 to $4,058 are due in monthly installments for another subscription arrangement. The total intangible right-to-use assets for governmental activities under these agreements are $233,135.

The annual requirements to amortize to maturity SBITAs outstanding for governmental activities as of December 31, 2024, are as follows:

Fiscal Year Ending December 31,	Governmental Activities SBITAs Principal	Interest
2025	$ 103,688	$ 7,522
2026	106,545	4,666
2027	68,266	1,729
2028	20,823	475
TOTAL	$ 299,322	$ 14,392

G. Installment Contract

The City entered into an installment contract in February 2024 for equipment. The City finances the purchase of equipment totaling $119,398 over 5 years, with payments beginning in February 2024 and ending in February 2029.

6. LONG-TERM DEBT (Continued)

G. Installment Contract (Continued)

Debt service requirements to maturity for the installment contract is as follows:

Fiscal Year Ending December 31,	Governmental Activities Installment Contract Principal	Interest
2025	$ 29,392	$ 2,178
2026	29,518	2,052
2027	30,191	1,379
2028	30,297	1,274
TOTAL	$ 119,398	$ 6,883

H. Changes in Long-Term Liabilities

During the eight months ended December 31, 2024, the following changes occurred in long-term liabilities for governmental activities:

	Balances May 1, Restated***	Issuances	Retirements	Balances December 31	Current Portion
General Obligation Bonds Payable	$ 5,327,518	$ -	$ 844,511	$ 4,483,007	$ 1,004,516
Unamortized Bond Premium	436,973	-	86,628	350,345	-
Lease Liability	986,480	245,697	490,343	741,834	442,816
SBITA Liability	-	359,326	60,004	299,322	103,688
Installment Contract	-	119,398	-	119,398	29,392
Compensated Absences**/***	3,698,169	-	48,421	3,649,748	2,488,371
Net Pension Liability - IMRF*	4,837,729	-	-	4,837,729	-
Net Pension Liability - Fire*	17,610,722	-	956,266	16,654,456	-
Net Pension Liability - Police*	38,515,856	-	2,256,942	36,258,914	-
Total OPEB Liability*	5,899,329	126,133	-	6,025,462	275,965
TOTAL	$ 77,312,776	$ 850,554	$ 4,743,115	$ 73,420,215	$ 4,344,748

*The General Fund resources are used to liquidate these liabilities.

6. LONG-TERM DEBT (Continued)

H. Changes in Long-Term Liabilities (Continued)

During the eight months ended December 31, 2024, the following changes occurred in long-term liabilities for business-type activities:

	Balances May 1, Restated***	Issuances	Retirements/ Refundings	Balances December 31	Current Portion
General Obligation Bonds Payable	$ 19,367,482	$ -	$ 2,100,489	$ 17,266,993	$ 1,550,484
Promissory Note Payable	230,000	-	230,000	-	-
IEPA Loans Payable	18,021,057	-	514,822	17,506,235	704,837
Unamortized Bond Premium	569,011	-	41,943	527,068	-
Lease Liability	215,466	61,122	77,281	199,307	103,514
Well Asset Retirement Obligation	950,000	-	-	950,000	-
Compensated Absences**/***	608,930	-	43,652	565,278	369,321
Net Pension Liability	2,159,359	-	-	2,159,359	-
Total OPEB Liability	401,125	27,021	-	428,146	19,609
TOTAL	$ 42,522,430	$ 88,143	$ 3,008,187	$ 39,602,386	$ 2,747,765

**The amount displayed as additions or reductions represents the net change in the liability for both governmental activities and business-type activities.

***Compensated absences beginning balances for both governmental activities and business-type activities were restated for the implementation of GASB 101, *Compensated Absences*. See Note 18 for additional information.

I. Legal Debt Margin

The City is a home rule municipality. Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of the legal debt margin.

> "The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property …(2) if its population is more than 25,000 and less than 500,000 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 General Assembly has set no limits for home rule municipalities.

6. LONG-TERM DEBT (Continued)

J. Noncommitment Debt

Special Service Area Bonds

Special service area bonds outstanding are not a direct responsibility of the City. The City will continue to collect taxes assessed on the SSA bonds and forward to bondholders any payments received. The amounts collected are accounted for in a Custodial Fund until they are remitted to the bondholders.

The City has the following SSA bond issues outstanding at December 31, 2024:

Special Service Area No. 45 Bonds, Series 2006 - original principal $5,935,000, due in annual installments of $80,000 to $435,000, commencing February 2007 through February 2031; interest at 4.40% to 5.50% payable semiannually on August 1 and February 1. The outstanding principal balance at December 31, 2024, was $5,440,000.

Special Service Area No. 46 Refunding Bonds, Series 2016 - original principal $2,445,000 issued in December 2016, due in annual installments of $30,000 to $245,000, commencing March 2017 through March 2036; interest at 2.75% to 4.40% payable semiannually on September 1 and March 1. The outstanding principal balance at December 31, 2024, was $1,885,000.

K. Asset Retirement Obligation

The City has recognized an asset retirement obligation (ARO) and related deferred outflow of resources in connection with its obligation to seal and abandon various shallow water wells at the end of their estimated 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 City estimates the useful lives of the water wells to be 100 years.

7. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City accounts for and finances of health insurance premiums paid in the Internal Service Fund.

7. RISK MANAGEMENT (Continued)

The City participates in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC is a public entity risk pool established by certain units of local government in Illinois to administer some or all of the personnel benefit programs (primarily medical, dental and life insurance coverage) offered by these members to their officers and employees and to the officers and employees of certain governmental, quasi-governmental and nonprofit public service entities.

The IPBC receives, processes and pays such claims as may come within the benefit program of each member. Management consists of a Board of Directors comprised of one appointed representative from each member. In addition, there are two officers; a Benefit Administrator and a Treasurer. The City does not exercise any control over the activities of the IPBC beyond its representation on the Board of Directors.

The City also participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in Northeastern Illinois that have formed an association under the Illinois Intergovernmental Cooperation's Statute to pool their risk management needs. The agency administers a mix of self-insurance and commercial services, unemployment claim administration, extensive risk management/loss control consulting and training programs, and a risk information system and financial reporting services for its members. The City's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes their deductible portion of each occurrence ($10,000 for the City), and IRMA has a mix of self-insurance and commercial insurance at various amounts above that level.

8. INDIVIDUAL FUND DISCLOSURES

As of December 31, 2024, advances to/from other funds were as follows:

Payable Fund	Receivable Fund	Amount
Nonmajor Governmental	General	$ 168,561
TOTAL ADVANCES TO/FROM OTHER FUNDS		$ 168,561

The purposes of significant due from/due to other funds are as follows:

- $168,561 advance from the General Fund to the Water's Edge TIF Fund for TIF expenditures. Repayment is not expected within one year.

8. INDIVIDUAL FUND DISCLOSURES (Continued)

As of December 31, 2024, due to/from other funds were as follows:

Payable Fund	Receivable Fund	Amount
General	Waterworks and Sewerage	$ 494,681
Capital Replacement	Waterworks and Sewerage	48,603
Nonmajor Governmental	Capital Replacement	263,744
Waterworks and Sewerage	General	33,344
Nonmajor Governmental	Waterworks and Sewerage	1,004,800
General	Nonmajor Governmental	3,012
Fire Rescue	Nonmajor Governmental	7,493
TOTAL DUE TO/FROM OTHER FUNDS		$ 1,855,677

The purposes of significant due from/due to other funds are as follows:

- $494,681 due from General Fund to the Waterworks and Sewerage Fund for various chargebacks for taxes and capital expenditures. Repayment is expected within one year.

- $48,603 due from Capital Replacement Fund to the Waterworks and Sewerage Fund to for capital expenditures. Repayment is expected within one year.

- $263,744 due from Nonmajor Governmental Fund (Motor Fuel Tax Fund) to the Capital Replacement Fund for capital expenditures. Repayment is expected within one year.

- $1,004,800 due from Nonmajor Governmental Fund (Three Oaks Development Fund) to the Waterworks and Sewerage Fund for capital expenditures. Repayment is expected within one year

Interfund transfers during the eight months ended December 31, 2024, were as follows:

	Transfers In	Transfers Out
General		
Capital Replacement	$ -	$ 8,320,000
Nonmajor Governmental	202,603	4,876,203
Waterworks and Sewerage	-	158,484
Total General	202,603	13,354,687

8. INDIVIDUAL FUND DISCLOSURES (Continued)

	Transfers In	Transfers Out
Fire Rescue		
Capital Replacement	$ -	$ 909,088
Nonmajor Governmental	-	231,159
Total Fire Rescue	-	1,140,247
Capital Replacement		
General	8,320,000	-
Fire Rescue	909,088	-
Nonmajor Governmental	4,389,607	-
Total Capital Replacement	13,618,695	-
Waterworks and Sewerage		
General	158,484	-
Nonmajor Governmental	1,004,800	-
Total Capital Replacement	1,163,284	-
Nonmajor Governmental		
General	4,876,203	202,603
Fire Rescue	231,159	-
Capital Replacement	-	4,389,607
Waterworks and Sewerage	-	1,004,800
Nonmajor Governmental	153,315	153,315
Total Nonmajor Governmental	5,260,677	5,750,325
TOTAL	$ 20,245,259	$ 20,245,259

The purpose of significant transfers is as follows:

- $13,618,695 transferred to the Capital Equipment Replacement Fund from the General Fund, Fire Rescue Fund, and Nonmajor Governmental Funds (Restricted Police Fund, Vehicle Replacement Fund, and Main Street TIF Construction Fund) for the purchase of equipment and capital projects. These transfers will not be repaid.

- $1,004,800 transferred to the Waterworks and Sewerage Fund from the Nonmajor Governmental Funds (Three Oaks Development Fund) for capital development and capital projects. These transfers will not be repaid.

- $876,203 transferred from the General Fund to Nonmajor Governmental Funds (Three Oaks Debt Service). This transaction relates to money transferred to debt service funds for payments of principal and interest on general obligation debt. This transfer will not be repaid.

8. INDIVIDUAL FUND DISCLOSURES (Continued)

- $4,000,000 transferred from the General Fund to Nonmajor Governmental Funds (Vehicle Replacement Fund) for the purchase of vehicles and equipment. This transfer will not be repaid.

The Vulcan Lakes Tax Increment Financing (TIF) District was created to spur comprehensive development around US 14 and Main Street, to include residential, retain and recreational facilities (Three Oaks Recreation Area). Initial funding for land acquisition and engineering services ($2,039,724) was provided using General Fund reserves. Available property tax increment will be used to retire outstanding bonds that were issued for the purposes of constructing the Three Oaks Recreation Area. Remaining increments, if any, are intended to be used to pay back the General Fund. The interfund receivable is reported net of an allowance of the same amount at December 31, 2024.

The Virginia Street Corridor Tax Increment Financing (TIF) District was intended to spur comprehensive revitalization of the Virginia Street Corridor and includes streetscape improvements/beautification and redevelopment of key identified sites. Initial funding $(1,740,096) for the Virginia Street project was provided using Home Rule Sales Tax. In accordance with resolution 2008R-88, future tax increment could be used to provide reimbursement of Home Rule Sales Tax to the General Fund. The outstanding balance at December 31, 2024 was $728,474 and is reported net of an allowance of the same amount.

The Waters Edge TIF Project Fund reported a deficit fund balance of $156,401 at December 31, 2024.

9. CONTINGENT LIABILITIES

A. Litigation

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

B. Grants

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

10. JOINT VENTURE

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

The founding members of SEECOM consist of the City of Crystal Lake, Illinois, the Village of Algonquin, Illinois and the Village of Cary, Illinois.

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

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

All property, real and personal, acquired by SEECOM is owned in common by the members under the intergovernmental agreement. Each of the three members under the intergovernmental agreement are liable for the debts and liabilities of SEECOM. The intergovernmental agreement establishing SEECOM is in effect for a period of 15 years from the effective date of December 2002. Thereafter, it is automatically renewed with no affirmative action by the three members for successive five-year periods commencing May 1 until notice of termination is given. Any terminating member shall remain liable for their share of the capital expenditures incurred prior to the effective date of their termination. Upon termination by any member, SEECOM shall reimburse the terminated member for its share of the undepreciated value of SEECOM's capital assets. SEECOM is located at 100 Municipal Complex, Crystal Lake, Illinois 60014. A separate audit report for SEECOM is available through its office.

The City reports its activities in SEECOM as a governmental joint venture. In accordance with the joint venture agreement, the City remitted $879,190 to SEECOM during the eight months ended December 31, 2024. In addition, the City's equity interest in the joint venture's net position of $4,598,094 is recorded within the governmental activities column of the statement of net position.

11. CONSTRUCTION COMMITMENTS

The City has commitments under construction contracts of approximately $3,713,820 outstanding at December 31, 2024.

12. TAX ABATEMENTS

The City has entered into redevelopment and enhanced sales tax incentive agreements with a local business whereby the city has agreed to reimburse the business for actual project costs related to the expansion of their existing facilities within the City. Under terms of the agreement, the City will pay 40% of local sales tax attributable to the business and received by the City for the 12-month period preceding the annual payment date. The maximum cumulative payment under this agreement is the lower of 50% of actual project costs or $600,000. The agreement shall terminate ten years after the effective date of the agreement or the date on which the business has been paid by the City an amount equal to the maximum cumulative payment. The payment information of the agreement is summarized as follows:

Effective Date of Agreement	Maximum Cumulative Payment	Current Period Payments	Cumulative Payments at December 31, 2024
March 1, 2019	$ 600,000	$ 6,831	$ 169,174

13. OTHER POSTEMPLOYMENT BENEFITS

A. Plan Description

In addition to providing the pension benefits described, the City provides postemployment health care and life insurance benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the City and can be amended by the City through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan there are no assets accumulated in a trust . The plan does not issue a separate report. The activity of the plan is reported in the City's governmental and business-type activities.

B. Benefits Provided

The City provides postemployment health care and life insurance benefits to its retirees and certain disabled employees. To be eligible for benefits, an employee must qualify for retirement under one of the City's retirement plans. All health care benefits are provided through the City's health insurance plan. Eligible, full-time employees who retire and elect to continue their medical insurance must pay the full price of insurance.

Benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; and prescriptions. Upon a retiree reaching age 65 years, Medicare becomes the primary insurer and the City's plan becomes secondary.

13. OTHER POSTEMPLOYMENT BENEFITS (Continued)

B. Benefits Provided (Continued)

For certain disabled employees who qualify for health insurance benefits under the Public Safety Employee Benefits Act (PSEBA), the City is required to pay 100% of the cost of basic health insurance for the employee and their dependents until they are Medicare eligible.

C. Membership

At April 30, 2024 (most recent data available), membership consisted of:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	29
Inactive Employees Entitled to but not yet Receiving Benefit Payments	-
Active Employees	254
TOTAL	283
Participating employers	1

D. Total OPEB Liability

The City and Library's total OPEB liability of $6,654,167 was measured as of December 31, 2024, and was determined by an actuarial valuation as of May 1, 2024.

E. Actuarial Assumptions and Other Inputs

The total OPEB liability at December 31, 2024, as determined by an actuarial valuation as of May 1, 2024 actuarial valuation, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. The total OPEB liability was rolled forward by the actuary using updated procedures to December 31, 2024, including updating the discount rate, as noted below:

Actuarial Cost Method	Entry-Age Normal
Actuarial Value of Assets	N/A
Inflation	3.00%
Salary Increases	3.50%
Discount Rate	4.28%
Healthcare Cost Trend Rates	4.00% Initial 4.50% Ultimate

13. OTHER POSTEMPLOYMENT BENEFITS (Continued)

E. Actuarial Assumptions and Other Inputs (Continued)

The discount rate was based on The Bond Buyer 20-Bond GO Index, which is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA

Mortality rates follow the PubG.H-2010(B) mortality table with future mortality improvement using Scale MP-2020.

F. City - Changes in the Total OPEB Liability

	Total OPEB Liability
BALANCES AT MAY 1, 2024	$ 6,300,454
Changes for the Period	
Service Cost	111,222
Interest	271,643
Changes in Benefit Terms	-
Difference Between Expected and Actual Experience	-
Changes in Assumptions*	72,758
Benefit Payments	(295,574)
Other	(6,895)
Net Changes	153,154
BALANCES AT DECEMBER 31, 2024	$ 6,453,608

*Changes in assumption related to the discount rate were made since the previous measurement date.

13. OTHER POSTEMPLOYMENT BENEFITS (Continued)

G. Library - Changes in the Total OPEB Liability

	Total OPEB Liability
BALANCES AT MAY 1, 2024	$ 188,691
Changes for the Period	
Service Cost	3,456
Interest	8,442
Changes in Benefit Terms*	-
Difference Between Expected and Actual Experience	-
Changes in Assumptions**	2,261
Benefit Payments	(9,186)
Other	6,895
Net Changes	11,868
BALANCES AT DECEMBER 31, 2024	$ 200,559

*Changes in assumption related to the discount rate were made since the previous measurement date.

H. Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the City calculated using the discount rate of 4.28% as well as what the City total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.28%) or 1 percentage point higher (5.28%) than the current rate:

	1% Decrease (3.28%)	Current Discount Rate (4.28%)	1% Increase (5.28%)
City - Total OPEB Liability	$ 6,968,531	$ 6,453,608	$ 6,004,655
Library - Total OPEB Liability	208,699	200,559	179,832
TOTAL - TOTAL OPEB LIABILITY	$ 7,177,230	$ 6,654,167	$ 6,184,487

13. OTHER POSTEMPLOYMENT BENEFITS (Continued)

H. Rate Sensitivity (Continued)

The table below presents the total OPEB liability of the City calculated using the healthcare rate of 4.00% to 4.50% as well as what the City's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (3.00% to 3.50%) or 1 percentage point higher (5.00 % to 5.50%) than the current rate:

	1% Decrease (3.00% to 3.50%)	Current Discount Rate (4.00% to 4.50%)	1% Increase (5.00% to 5.50%)
City - Total OPEB Liability	$ 5,931,910	$ 6,453,608	$ 7,067,158
Library - Total OPEB Liability	177,654	200,559	211,653
TOTAL - TOTAL OPEB LIABILITY	$ 6,109,564	$ 6,654,167	$ 7,278,811

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

For the eight months ended December 31, 2024, the City recognized OPEB expense of $572,411.

At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 1,037,992	$ 30,034
Changes in Assumptions	833,189	732,709
TOTAL	$ 1,871,181	$ 762,743

For the eight months ended December 31, 2024, the Library recognized OPEB expense of $17,143.

13. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

At December 31, 2024, the Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 31,087	$ 899
Changes in Assumptions	24,953	21,944
TOTAL	$ 56,040	$ 22,843

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

Fiscal Year Ending December 31,	City	Library	Total
2025	$ 189,127	$ 5,664	$ 194,791
2026	189,127	5,664	194,791
2027	189,127	5,664	194,791
2028	189,127	5,664	194,791
2029	168,195	5,037	173,232
Thereafter	183,735	5,504	189,239
TOTAL	$ 1,108,438	$ 33,197	$ 1,141,635

14. DEFINED BENEFIT PENSION PLANS

The City contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an 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. The benefits, benefit levels, employee contributions and employer contributions for all plans are governed by ILCS and can only be amended by the Illinois General Assembly. The Police Pension Plan and the Firefighters' Pension Plan do not issue separate reports. IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or www.imrf.org.

14. DEFINED BENEFIT PENSION PLANS (Continued)

The table below is a summary for all City pension plans as of and for the year ended December 31, 2024:

	IMRF	Police Pension	Fire Pension	Total
Net Pension Liability	$ 6,997,088	$ 36,258,914	16,654,456	$ 59,910,458
Deferred Outflows of Resources	5,172,943	4,122,037	4,772,221	14,067,201
Deferred Inflows of Resources	16,070	1,696,030	4,153,274	5,865,374
Pension Expense	625,142	3,126,948	1,999,610	5,751,700

Illinois Municipal Retirement Fund

A. *Plan Membership*

At December 31, 2023, IMRF membership consisted of:

Inactive Employees or Their Beneficiaries Currently Receiving Benefits	227
Inactive Employees Entitled to but not yet Receiving Benefits	126
Active Employees	165
TOTAL	518

B. *Benefits Provided*

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

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

Illinois Municipal Retirement Fund (Continued)

B. *Benefits Provided* (Continued)

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

C. *Contributions*

Participating members are required to contribute 4.50% of their annual salary to IMRF. The City is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the eight months ended December 31, 2024 was 9.66% of covered payroll.

D. *Actuarial Assumptions*

The City's net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial Valuation Date	December 31, 2023
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Price Inflation	2.25%
Salary Increases	2.85% to 13.75%
Investment Rate of Return	7.25%
Asset Valuation Method	Fair Value

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.

14. DEFINED BENEFIT PENSION PLANS (Continued)

Illinois Municipal Retirement Fund (Continued)

E. *Discount Rate*

The discount rate used to measure the total pension liability was 7.25% at December 31, 2023. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

F. *City - Changes in the Net Pension Liability*

	(A) Total Pension Liability	(B) Plan Fiduciary Net Position	(A) - (B) Net Pension Liability
BALANCES AT JANUARY 1, 2023	$ 71,317,112	$ 62,002,055	$ 9,315,057
Changes for the Period			
Service Cost	884,174	-	884,174
Interest	5,061,392	-	5,061,392
Difference Between Expected and Actual Experience	453,294	-	453,294
Changes in Assumptions	9,625	-	9,625
Employer Contributions	-	898,401	(898,401)
Employee Contributions	-	425,122	(425,122)
Net Investment Income	-	6,741,728	(6,741,728)
Benefit Payments and Refunds	(3,893,778)	(3,893,778)	-
Administrative Expense	-	-	-
Other (Net Transfer)	-	661,203	(661,203)
Net Changes	2,514,707	4,832,676	(2,317,969)
BALANCES AT DECEMBER 31, 2023	$ 73,831,819	$ 66,834,731	$ 6,997,088

There were changes in assumptions related to mortality rates compared to the previous measurement date.

14. DEFINED BENEFIT PENSION PLANS (Continued)

Illinois Municipal Retirement Fund (Continued)

G. *Library - Changes in the Net Pension Liability*

	(A) Total Pension Liability	(B) Plan Fiduciary Net Position	(A) - (B) Net Pension Liability
BALANCES AT JANUARY 1, 2023	$ 18,477,177	$ 16,063,788	$ 2,413,389
Changes for the Period			
Service Cost	229,076	-	229,076
Interest	1,311,330	-	1,311,330
Difference Between Expected and Actual Experience	117,441	-	117,441
Changes in Assumptions	2,494	-	2,494
Employer Contributions	-	232,762	(232,762)
Employee Contributions	-	110,143	(110,143)
Net Investment Income	-	1,746,679	(1,746,679)
Benefit Payments and Refunds	(1,008,819)	(1,008,819)	-
Administrative Expense	-	-	-
Other (Net Transfer)	-	171,307	(171,307)
Net Changes	651,522	1,252,072	(600,550)
BALANCES AT DECEMBER 31, 2023	$ 19,128,699	$ 17,315,860	$ 1,812,839

There were changes in assumptions related to mortality rates compared to the previous measurement date.

14. DEFINED BENEFIT PENSION PLANS (Continued)

Illinois Municipal Retirement Fund (Continued)

H. *Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources*

For the eight months ended December 31, 2024, the City recognized pension expense of $625,142 and the Library recognized pension expense of $161,964.

At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 821,793	$ 16,070
Changes in Assumption	6,613	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	3,427,659	-
Employer Contributions After the Measurement Date	916,878	-
TOTAL	$ 5,172,943	$ 16,070

$916,878 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ending December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows on the following page.

14. DEFINED BENEFIT PENSION PLANS (Continued)

Illinois Municipal Retirement Fund (Continued)

H. *Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources* (Continued)

At December 31, 2024, the Library reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 212,914	$ 4,163
Changes in Assumption	1,713	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	888,054	-
Employer Contributions After the Measurement Date	237,548	-
TOTAL	$ 1,340,229	$ 4,163

$237,548 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ending December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending December 31,	City	Library	Total
2025	$ 917,559	$ 237,725	$ 1,155,284
2026	1,411,310	365,649	1,776,959
2027	2,374,283	615,141	2,989,424
2028	(463,157)	(119,997)	(583,154)
2029	-	-	-
Thereafter	-	-	-
TOTAL	$ 4,239,995	$ 1,098,518	$ 5,338,513

14. DEFINED BENEFIT PENSION PLANS (Continued)

Illinois Municipal Retirement Fund (Continued)

I. *Discount Rate Sensitivity*

The following is a sensitive analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the pension liability (asset) of the City calculated using the discount rate of 7.25% as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
City - Net Pension Liability (Asset)	$ 15,919,486	$ 6,997,088	$ (214,885)
Library - Net Pension Liability (Asset)	4,124,496	1,812,839	(55,674)
TOTAL - NET PENSION LIABILITY (ASSET)	$ 20,043,982	$ 8,809,927	$ (270,559)

Police Pension Plan

A. *Plan Administration*

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The City accounts for the Police Pension Plan as a pension trust fund. A separate report is not issued for the Police Pension Fund.

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

The Police Pension 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.

14. DEFINED BENEFIT PENSION PLANS (Continued)

Police Pension Plan (Continued)

B. *Plan Membership*

At December 31, 2024, the measurement date, membership consisted of:

Inactive Plan Members Currently Receiving Benefits	60
Inactive Plan Members Entitled to but not yet Receiving Benefits	16
Active Plan Members	70
TOTAL	146

C. *Benefits Provided*

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

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the greater of the average monthly salary obtaining by dividing the total salary during the 48 consecutive months of service within the last of 60 months in which the total salary was the highest by the number of months in that period; or the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at $106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55).

14. DEFINED BENEFIT PENSION PLANS (Continued)

Police Pension Plan (Continued)

C. *Benefits Provided* (Continued)

The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the preceding calendar year.

D. *Contributions*

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, ILCS requires the City 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 2040. However, the City has adopted a funding policy using the entry-age normal cost method that will result in 100% funding by 2040. For the eight months ended December 31, 2024, the City's contribution was 74.51% of covered payroll.

E. *Illinois Police Officers' Pension Investment 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 as defined in 40 ILCS 5/22B-105. Participation in IPOPIF by Illinois suburban and downstate police pension funds is mandatory.

F. *Investment Policy*

IPOPIF's investment policy was originally adopted by the Board of Trustees on December 17, 2021. IPOPIF has the authority to invest trust fund assets in any type of security subject to the requirements and restrictions set forth in the Illinois Pension Code and is not restricted by the Pension Code sections that pertain exclusively to the Article 3 participating police pension funds. IPOPIF shall be subject to the provisions of the Illinois Pension Code including, but not limited to, utilization of emerging investment managers and utilization of businesses owned by minorities, women and persons with disabilities.

14. DEFINED BENEFIT PENSION PLANS (Continued)

Police Pension Plan (Continued)

G. *Deposits with Financial Institutions*

The plan retains all of its available cash with two financial institutions. Available cash is determined to be that amount which is required for the current expenditures of the plan. The excess of available cash is required to be transferred to IPOPIF for purposes of the long-term investment for the plan.

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Fund's deposits may not be returned to it. The Fund's investment policy requires all bank balances to be covered by federal depository insurance or collateralized by the financial institutions. At December 31, 2024, all deposits are covered by federal depository insurance.

H. *Investments*

Investments of the plan are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual report. For additional information on IPOPIF's investments, please refer to their annual report. A copy of that report can be obtained from IPOPIF at 456 Fulton Street, Suite 402, Peoria, Illinois 61602 or at www.ipopif.org.

I. *Fair Value Measurement*

The plan categorizes fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The plan held no investments subject to fair value measurement at December 31, 2024.

J. *Net Asset Value*

The Net Asset Value (NAV) of the plan's pooled investment in IPOPIF was $58,809,512 at December 31, 2024. The pooled investments consist of the investments as noted in the target allocation table below. 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 December 31, 2024. The plan 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.

14. DEFINED BENEFIT PENSION PLANS (Continued)

Police Pension Plan (Continued)

K. *Investment Rate of Return*

For the eight months ended December 31, 2024, the annual money-weighted rate of return on pension plan investments as calculated by the Fund's Treasurer, net of pension plan investment expense, was 7.95%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for changing amounts actually invested.

L. *Actuarial Assumptions*

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

Actuarial Valuation Date	December 31, 2024
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Inflation	2.50%
Salary Increases	4.00% to 21.79%
Investment Rate	7.25%
Cost of Living Adjustments	2.50%
Asset Valuation Method	Fair Value

Mortality rates were based on the PubS-2010 mortality table. Mortality improvement uses MP-2021 Improvement Rates applied on a fully generational basis.

M. *Discount Rate*

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between 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 projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

14. DEFINED BENEFIT PENSION PLANS (Continued)

Police Pension Plan (Continued)

N. *Discount Rate Sensitivity*

The following is a sensitive analysis of the net pension liability to changes in the discount rate for the eight months ended December 31, 2024.

The table below presents the pension liability of the City, for the eight months ended December 31, 2024, calculated using the discount rate of 7.25% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	$ 49,703,697	$ 36,258,914	$ 25,276,426

O. *Changes in the Net Pension Liability*

	(A) Total Pension Liability	(B) Plan Fiduciary Net Position	(A) - (B) Net Pension Liability
BALANCES AT MAY 1, 2024	$ 92,431,825	$ 53,915,969	$ 38,515,856
Changes for the Period			
Service Cost	1,015,698	-	1,015,698
Interest	4,393,974	-	4,393,974
Difference Between Expected and Actual Experience	492,812	-	492,812
Changes in Assumptions	266,714	-	266,714
Changes in Benefit Terms	-	-	-
Employer Contributions	-	3,612,536	(3,612,536)
Employee Contributions	-	480,478	(480,478)
Other Contributions	-	3,359	(3,359)
Net Investment Income	-	4,340,101	(4,340,101)
Benefit Payments and Refunds	(3,044,050)	(3,044,050)	-
Administrative Expense	-	(10,334)	10,334
Net Changes	3,125,148	5,382,090	(2,256,942)
BALANCES AT DECEMBER 31, 2024	$ 95,556,973	$ 59,298,059	$ 36,258,914

14. DEFINED BENEFIT PENSION PLANS (Continued)

Police Pension Plan (Continued)

O. *Changes in the Net Pension Liability* (Continued)

There were changes in assumptions related to inflation, salary increases, cost of living adjustments, and mortality rates since the previous measurement date.

The Police Pension Plan was 62.06% funded as of December 31, 2024.

P. *Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources*

For the eight months ended December 31, 2024, the City recognized police pension expense of $3,126,948. At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 3,379,376	$ 826,321
Changes in Assumption	742,661	342,001
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	527,708
TOTAL	$ 4,122,037	$ 1,696,030

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

Fiscal Year Ending December 31,	
2025	$ 1,035,449
2026	802,831
2027	(16,242)
2028	49,609
2029	336,102
Thereafter	218,258
TOTAL	$ 2,426,007

14. DEFINED BENEFIT PENSION PLANS (Continued)

Firefighters' Pension Plan

A. *Plan Administration*

Firefighter sworn personnel are covered by the Firefighters' Pension Plan, a single-employer defined benefit pension plan sponsored by the City. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-101) and may be amended only by the Illinois legislature. The City accounts for the Firefighters' Pension Plan as a pension trust fund.

The Firefighters' Pension Plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the City's Mayor, one member is elected by pension beneficiaries and two members are elected by active firefighter employees.

The Firefighters' Pension 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.

B. *Plan Membership*

At December 31, 2024, the measurement date, membership consisted of:

Inactive Plan Members Currently Receiving Benefits	34
Inactive Plan Members Entitled to but not yet Receiving Benefits	4
Active Plan Members	60
TOTAL	98

C. *Benefits Provided*

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held at the date of retirement. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years but less than 20 years of credited

14. DEFINED BENEFIT PENSION PLANS (Continued)

Firefighters' Pension Plan (Continued)

C. *Benefits Provided* (Continued)

service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a covered employee who retired with 20 or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at $106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 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% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

D. *Contributions*

Employees are required by ILCS to contribute 9.455% of their base salary to the Firefighters' Pension Fund (the Fund). If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the Fund, as actuarially determined by an enrolled actuary. Effective January 1, 2011, ILCS requires the City 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. However, the City has adopted a funding policy using the entry-age normal cost method that will result in funding of 100% of the past service cost by 2040. The City's contribution was 50.04% of covered payroll for the eight months ended December 31, 2024.

14. DEFINED BENEFIT PENSION PLANS (Continued)

Firefighters' Pension Plan (Continued)

E. *Illinois Firefighters' Pension Investment 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.

F. *Deposits with Financial Institutions*

The plan retains all of its available cash with two financial institutions. Available cash is determined to be that amount which is required for the current expenditures of the plan. The excess of available cash is required to be transferred to IFPIF for purposes of the long-term investment for the plan.

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Fund's deposits may not be returned to it. The Fund's investment policy requires all bank balances to be covered by federal depository insurance or collateralized by the financial institutions. All deposits at December 31, 2024, are covered by federal depository insurance.

G. *Investments*

Investments of the plan 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 report. A copy of that report can be obtained from IFPIF at 1919 South Highland Avenue, Building A, Suite 237, Lombard, Illinois 60148 or at www.ifpif.org.

H. *Fair Value Measurement*

The plan categorizes fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The plan held no investments subject to fair value measurement at December 31, 2024.

14. DEFINED BENEFIT PENSION PLANS (Continued)

Firefighters' Pension Plan (Continued)

I. *Net Asset Value*

The Net Asset Value (NAV) of the plan's pooled investment in IFPIF was $61,811,994 at December 31, 2024. 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 December 31, 2024. 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.

J. *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.

K. *Investment Rate of Return*

For the eight months ended December 31, 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 8.89%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

L. *Actuarial Assumptions*

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

Actuarial Valuation Date	December 31, 2024
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Inflation	2.50%
Salary Increases	4.00% to 9.03%
Investment Rate	7.25%
Cost of Living Adjustments	2.50%
Asset Valuation Method	Fair Value

14. DEFINED BENEFIT PENSION PLANS (Continued)

Firefighters' Pension Plan (Continued)

L. *Actuarial Assumptions* (Continued)

Mortality rates were based on the PubS-2010 mortality table. Mortality improvement uses MP-2021 Improvement Rates applied on a fully generational basis.

M. *Discount Rate*

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between 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 projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

N. *Discount Rate Sensitivity*

The following is a sensitive analysis of the net pension liability to changes in the discount rate for year ended December 31, 2024.

The table below presents the net pension liability of the City, at December 31, 2024, calculated using the discount rate of 7.25% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	$ 28,726,466	$ 16,654,456	$ 6,827,360

14. DEFINED BENEFIT PENSION PLANS (Continued)

Firefighters' Pension Plan (Continued)

O. *Changes in the Net Pension Liability*

	(A) Total Pension Liability	(B) Plan Fiduciary Net Position	(A) - (B) Net Pension Liability
BALANCES AT MAY 1, 2024	$ 73,949,130	$ 56,338,408	$ 17,610,722
Changes for the Period			
Service Cost	1,059,574	-	1,059,574
Interest	3,528,560	-	3,528,560
Difference Between Expected and Actual Experience	(186,884)	-	(186,884)
Changes in Assumptions	2,363,913	-	2,363,913
Changes in Benefit Terms	-	-	-
Employer Contributions	-	2,285,640	(2,285,640)
Employee Contributions	-	431,851	(431,851)
Net Investment Income	-	5,054,829	(5,054,829)
Benefit Payments and Refunds	(1,888,894)	(1,888,894)	-
Administrative Expense	-	(50,891)	50,891
Net Changes	4,876,269	5,832,535	(956,266)
BALANCES AT DECEMBER 31, 2024	$ 78,825,399	$ 62,170,943	$ 16,654,456

There were changes in assumptions related to inflation, salary increases, cost of living adjustments, and mortality rates since the previous measurement date.

The Firefighters' Pension Plan was 78.87% funded as of December 31, 2024.

14. DEFINED BENEFIT PENSION PLANS (Continued)

Firefighters' Pension Plan (Continued)

P. *Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources*

For the eight months ended December 31, 2024, the City recognized firefighters' pension expense of $1,999,610. At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to the firefighters' pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 2,149,019	$ 2,882,483
Changes in Assumption	2,623,202	80,402
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	1,190,389
TOTAL	$ 4,772,221	$ 4,153,274

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

Fiscal Year Ending December 31,	
2025	$ 548,913
2026	195,361
2027	(687,659)
2028	(512,384)
2029	256,539
Thereafter	818,177
TOTAL	$ 618,947

15. PENSION TRUST FUNDS

Fiduciary Funds Summary Financial Information

The following is summary financial information for the Police Pension Plan and the Firefighters' Pension Plan.

A. Schedule of Net Position

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash and Short-Term Investments	$ 497,522	$ 366,674	$ 864,196
Investments			
Investments Held in the Illinois Police Officers' Pension Investment Fund	58,809,512	-	58,809,512
Investments Held in the Illinois Firefighters' Pension Investment Fund	-	61,811,994	61,811,994
Prepaid Expenses	4,626	2,820	7,446
Total Assets	59,311,660	62,181,488	121,493,148
LIABILITIES			
Accounts Payable	1,533	2,910	4,443
Due to City	12,068	7,635	19,703
Total Liabilities	13,601	10,545	24,146
NET POSITION	$ 59,298,059	$ 62,170,943	$ 121,469,002

15. PENSION TRUST FUNDS (Continued)

Fiduciary Funds Summary Financial Information (Continued)

B. Changes in Plan Net Position

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	$ 3,612,536	$ 2,285,640	$ 5,898,176
Employee	483,837	431,851	915,688
Total Contributions	4,096,373	2,717,491	6,813,864
Investment Income			
Net Appreciation in Fair Value of Investments	4,141,214	4,288,870	8,430,084
Interest Earned	243,450	830,076	1,073,526
Less Investment Expense	(44,563)	(64,117)	(108,680)
Net Investment Income	4,340,101	5,054,829	9,394,930
Total Additions	8,436,474	7,772,320	16,208,794
DEDUCTIONS			
Benefits and Refunds	3,044,050	1,888,894	4,932,944
Administrative	10,334	50,891	61,225
Total Deductions	3,054,384	1,939,785	4,994,169
NET INCREASE	5,382,090	5,832,535	11,214,625
NET POSITION RESTRICTED FOR PENSION BENEFITS			
May 1	53,915,969	56,338,408	110,254,377
December 31	$ 59,298,059	$ 62,170,943	$ 121,469,002

16. COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY

A. Summary of Significant Accounting Policies

The accounting policies of the Library conform to GAAP as applicable to governments. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies:

1. Fund Accounting

Governmental Funds

The accounts of the Library are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the financial statements in this report into three fund types and one broad fund category as follows:

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

2. Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses recorded when a liability is incurred.

The modified accrual basis of accounting is followed by the governmental funds on the fund financial statements. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Library considers property taxes as available if they are collected within 60 days after year end. A 60-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

16. COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY (Continued)

B. Deposits and Investments

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

The Library is authorized to invest in all investments allowed by ILCS. These include deposits/investments insured by the FDIC, obligations or securities guaranteed by the United States of America, direct obligations of any bank as defined by the Illinois Banking Act, certain money market mutual funds and The Illinois Funds (a money market fund created by the State Legislature under the control of the State Treasurer that maintains a $1 share value).

It is the policy of the Library to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Library and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objective of the policy is legality, safety (preservation of capital and protection of investment principal), liquidity and yield.

1. Library Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Library's deposits may not be returned to it. The Library's investment policy requires pledging of collateral with a fair value of 110% of all bank balances in excess of federal depository insurance with the collateral held by the Library or the Library's agent in the Library's name.

2. Library Investments

As of December 31, 2024, the Library had investments and maturities as follows:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less than 1	1-5	6-10	Greater than 10
U.S. Treasury Notes	$ 1,266,737	$ 703,218	$ 563,519	$ -	$ -
TOTAL	$ 1,266,737	$ 703,218	$ 563,519	$ -	$ -

16. COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY (Continued)

B. Deposits and Investments (Continued)

2. Library Investments (Continued)

The Library categorizes the fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The U.S. Treasury Notes are valued using quoted matrix pricing models (Level 2 inputs).

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Library limits its exposure to interest rate risk by taking in account the cash flow needs of the Library regarding maturities on investments.

Credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment in securities allowed under the investment policy. The Library's investment policy does not address credit risk. The Illinois Funds and money market mutual funds are rated AAA by Standard and Poor's, the U.S. Treasury Notes are not rated.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Library will not be able to recover the value of its investments that are in the possession of an outside party. To limit its exposure, the Library's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Library's agent separate from where the investment was purchased or by the trust department of the bank where purchased, in the Library's name. The Illinois Funds and money market mutual funds are not subject to custodial credit risk.

Concentration of the credit risk is the risk that the Library has a high percentage of their investments invested in one investment. The Library's investment policy requires diversification of investments to avoid unreasonable risk but does not contain any specific diversification targets.

The Library's investment policy does not specifically prohibit the use of or the investment in derivatives.

16. COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY (Continued)

C. Receivables

Property taxes for the 2024 levy year attach as an enforceable lien on January 1, 2024, on property values assessed as of the same date. Taxes are levied by December of the same year by passage of a Tax Levy Ordinance. Tax bills are prepared by the County and issued on or about May 1, and August 1, and are payable in two installments, on or about June 1, and September 1. The County collects such taxes and remits them periodically.

The Library has elected, under governmental accounting standards, to match its property tax revenues to the fiscal year that the tax levy is intended to finance. Therefore, the 2024 taxes are intended to finance the 2026 fiscal year and are not considered available or earned for current operations and are, therefore, shown as deferred revenue. The 2025 tax levy, which attached as an enforceable lien on property as of January 1, 2025, has not been recorded as a receivable as of December 31, 2024, as the tax has not yet been levied by the Library and will not be levied until December 2025 and, therefore, the levy is not measurable at December 31, 2024.

D. Capital Assets

The following is a summary of changes in the Library's capital assets during the eight months ended December 31, 2024:

	Balances May 1	Additions/ Transfers	Retirements/ Transfers	Balances December 31
Capital Assets Not Being Depreciated				
Land	$ 2,472,561	$ -	$ -	$ 2,472,561
Total Capital Assets Not Being Depreciated	2,472,561	-	-	2,472,561
Capital Assets Being Depreciated				
Building and Improvements	9,538,268	96,054	5,109	9,629,213
Machinery, Equipment and Vehicles	385,774	-	-	385,774
Total Capital Assets Being Depreciated	9,924,042	96,054	5,109	10,014,987
Less Accumulated Depreciation for				
Building and Improvements	4,585,347	150,204	5,109	4,730,442
Machinery, Equipment and Vehicles	289,858	26,435	-	316,293
Total Accumulated Depreciation	4,875,205	176,639	5,109	5,046,735
Total Capital Assets Being Depreciated, Net	5,048,837	(80,585)	-	4,968,252
TOTAL CAPITAL ASSETS	$ 7,521,398	$ (80,585)	$ -	$ 7,440,813

16. COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY (Continued)

E. Long-Term Debt

During the eight months ended December 31, 2024, the following changes occurred in liabilities reported in general long-term debt:

	Balances May 1, Restated**	Issuances	Retirements/ Refundings	Balances December 31	Current Portion
Compensated Absences*/**	$ 419,262	$ -	$ 62,727	$ 356,535	$ 178,268
Net Pension Liability	1,812,839	-	-	1,812,839	-
Total OPEB Liability	188,691	11,868	-	200,559	9,186
TOTAL	$ 2,420,792	$ 11,868	$ 62,727	$ 2,369,933	$ 187,454

*The amount displayed as additions or reductions represents the net change in the liability.

**Compensated absences beginning balances were restated for the implementation of GASB 101, *Compensated Absences*. See Note 18 for additional information.

17. LESSOR LEASES

The City has entered into seven separate lease agreements to lease space on cell towers for the placement of cellular communications equipment. Payments ranging from $45,000 to $121,319 are due to the City in annual installment. The lease agreements have expiration dates ranging from December 2029 to April 2049. The lease agreements are noncancelable and maintain interest rates ranging from 1.53% to 2.55%.

The City entered a lease agreement in January 2016 to lease space on a cell tower for the placement of cellular communications equipment. Payments ranging from $282 to $446 are due to the City in monthly installments, through May 2046. The lease agreement is non-cancelable and maintains an interest rate of 2.51%.

The City entered a lease agreement in January 2024 to lease space with an emergency dispatch center. Payments ranging from $3,750 to $6,576 are due to the City in quarterly installments, through April 2044. The lease agreement is non-cancelable and maintains an interest rate of 3.41%.

During the eight months ended December 31, 2024, the City recognized lease revenue of $206,767 and interest revenue of $77,827 related to leases.

18. CHANGE IN ACCOUNTING PRINCIPLE AND ERROR CORRECTIONS

For the eight months ended December 31, 2024, the City implemented GASB Statement No. 101, *Compensated Absences*. For the implementation, the beginning net position has been restated.

Additionally, for the eight months ended December 31, 2024, the City made error corrections relating to capital assets and prepaid items, which also resulted in a restatement to beginning fund balance and net position.

The summary of restatements are as follows:

	Governmental Activities	Business-Type Activities
BEGINNING NET POSITION, AS PREVIOUSLY REPORTED	$ 194,768,509	$ 74,567,375
Change in Accounting Principle - GASB 101	(791,005)	(147,229)
Error Correction - Capital Assets	(485,756)	-
Error Correction - Prepaid Items	516,812	-
Total Net Restatement	(759,949)	(147,229)
BEGINNING NET POSITION, AS RESTATED	$ 194,008,560	$ 74,420,146

	Waterworks and Sewerage
BEGINNING NET POSITION, AS PREVIOUSLY REPORTED	$ 74,567,375
Change in Accounting Principle - GASB 101	(147,229)
Total Net Restatement	(147,229)
BEGINNING NET POSITION, AS RESTATED	$ 74,420,146

18. CHANGE IN ACCOUNTING PRINCIPLE AND ERROR CORRECTIONS (Continued)

	Capital and Equipment Replacement
BEGINNING FUND BALANCE, AS PREVIOUSLY REPORTED	$ 16,095,099
Error Correction - Prepaid Items	516,812
Total Net Restatement	516,812
BEGINNING FUND BALANCE, AS RESTATED	$ 16,611,911

	Component Unit - Library
BEGINNING FUND BALANCE, AS PREVIOUSLY REPORTED	$ 11,470,978
Change in Accounting Principle - GASB 101	(268,862)
Total Net Restatement	(268,862)
BEGINNING FUND BALANCE, AS RESTATED	$ 11,202,116

19. SUBSEQUENT EVENT

On April 8, 2025, the City issued $9,910,000 of General Obligation Bonds, Series 2025, to finance the replacement of water meters and corresponding equipment, infrastructure and technology throughout the City. Payments will begin on December 15, 2025, and will mature on December 15, 2045.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF CRYSTAL LAKE, ILLINOIS

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

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	$ 5,898,176	$ 5,898,176	$ 5,898,176	$ -
Other Taxes	9,026,570	9,026,570	8,918,215	(108,355)
Intergovernmental	14,415,658	14,415,658	16,806,140	2,390,482
Charges for Service	840,723	840,723	907,515	66,792
Licenses and Permits	652,000	652,000	738,147	86,147
Fines and Forfeitures	312,000	312,000	315,393	3,393
Investment Income	250,000	250,000	1,301,842	1,051,842
Miscellaneous	464,310	464,310	825,413	361,103
Total Revenues	31,859,437	31,859,437	35,710,841	3,851,404
EXPENDITURES				
General Government	5,786,600	5,786,600	4,791,448	(995,152)
Public Safety	14,710,628	14,710,628	14,169,054	(541,574)
Highway and Streets	5,196,691	5,196,691	4,413,475	(783,216)
Cultural Recreation	818,483	818,483	691,099	(127,384)
Debt Service				
Principal	43,676	43,676	66,676	23,000
Interest and Fees	10,087	10,087	9,887	(200)
Total Expenditures	26,566,165	26,566,165	24,141,639	(2,424,526)
EXCESS OF REVENUES OVER EXPENDITURES	5,293,272	5,293,272	11,569,202	6,275,930
OTHER FINANCING SOURCES (USES)				
Transfers In	151,156	151,156	202,603	51,447
Transfers (Out)	(7,174,021)	(7,174,021)	(13,354,687)	(6,180,666)
Total Other Financing Sources (Uses)	(7,022,865)	(7,022,865)	(13,152,084)	(6,129,219)
NET CHANGE IN FUND BALANCE	$ (1,729,593)	$ (1,729,593)	(1,582,882)	$ 146,711
FUND BALANCE, MAY 1			23,687,767	
FUND BALANCE, DECEMBER 31			$ 22,104,885	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

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

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	$ 7,608,859	$ 7,608,859	$ 7,563,877	$ (44,982)
Charges for Services	4,184,695	4,184,695	6,261,191	2,076,496
Investment Income	40,000	40,000	429,249	389,249
Miscellaneous	58,500	58,500	169,904	111,404
Total Revenues	11,892,054	11,892,054	14,424,221	2,532,167
EXPENDITURES				
Public Safety				
Personnel Services	7,621,851	7,621,851	6,992,613	(629,238)
Contractual Services	1,017,941	1,017,941	871,668	(146,273)
Materials and Supplies	334,785	334,785	292,338	(42,447)
Miscellaneous	-	-	977	977
Total Expenditures	8,974,577	8,974,577	8,157,596	(816,981)
EXCESS OF REVENUES OVER EXPENDITURES	2,917,477	2,917,477	6,266,625	3,349,148
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	(1,230,015)	(1,230,015)	(1,140,247)	89,768
Total Other Financing Sources (Uses)	(1,230,015)	(1,230,015)	(1,140,247)	89,768
NET CHANGE IN FUND BALANCE	$ 1,687,462	$ 1,687,462	5,126,378	$ 3,438,916
FUND BALANCE, MAY 1			8,681,811	
FUND BALANCE, DECEMBER 31			$ 13,808,189	

(See independent auditor's report.)

1. BUDGETS

Budgets are adopted on a basis consistent with GAAP. Annual budgets are adopted for the General, certain Special Revenue (except SSA 47 Fund), Debt Service, Capital Projects (except the NCLPB Project Fund), Enterprise Fund, Internal Service Fund and Pension Trust Funds.

The City Council follows these procedures in establishing the budgetary data reflected in the financial statements:

The City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. The budget is prepared on a basis consistent with GAAP, except for depreciation is not budgeted in the Waterworks and Sewerage Fund, principal issuances, capital outlay and pension and OPEB expenses.

A public hearing is conducted to obtain taxpayer comments. Prior to January 1, the budget is legally enacted for the General Fund, Special Revenue Funds (exception noted above), Debt Service Fund, Capital Projects Funds (exception noted above), Enterprise Funds, Internal Service and Pension Trust Funds.

Expenditures may not legally exceed the total appropriated amounts for each fund. The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, expenditures in excess of the total appropriated amount must be approved by the City Council. During the year, the budget was amended by the City Council. The Library's financial statements have been compared to the working budget, which is less than the appropriation amounts.

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Ten Audit Periods

	April 30,									December 31,
AUDIT PERIOD ENDED	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2024***
Actuarially Determined Contribution	$ 1,452,892	$ 1,410,404	$ 1,430,059	$ 1,385,397	$ 1,365,266	$ 1,559,628	$ 1,543,084	$ 1,346,193	$ 1,144,495	$ 787,857
Contributions in Relation to the Actuarially Determined Contribution	1,452,892	1,410,404	1,430,059	1,385,397	1,365,266	1,559,628	1,543,084	1,346,193	1,144,495	787,857
CONTRIBUTION DEFICIENCY (EXCESS)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$ 11,133,366	$ 10,753,366	$ 11,069,426	$ 11,160,501	$ 11,377,411	$ 11,337,608	$ 11,696,490	$ 12,029,760	$ 11,956,072	$ 8,159,024
Contributions as a Percentage of Covered Payroll	13.05%	13.12%	12.92%	12.41%	12.00%	13.76%	13.19%	11.19%	9.57%	9.66%

*The City changed its fiscal year end from April 30 to December 31 effective December 31, 2024. As such, the information presented is for the eight months ended December 31, 2024.

Notes to the Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior calendar year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 20 years; the asset valuation method was at five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases of 2.75% to 13.75% compounded annually and postretirement benefit increases of 2.75% compounded annually.

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

Last Ten Audit Periods

	April 30,									December 31,
AUDIT PERIOD ENDED	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2024***
Actuarially Determined Contribution	$ 1,869,923	$ 1,992,354	$ 2,091,066	$ 2,418,845	$ 2,391,323	$ 2,690,477	$ 2,930,906	$ 3,481,415	$ 3,368,127	$ 3,612,536
Contributions in Relation to the Actuarially Determined Contribution	2,059,342	1,989,776	2,089,940	2,415,148	2,386,343	2,685,733	2,930,906	3,481,415	3,482,254	3,612,536
CONTRIBUTION DEFICIENCY (EXCESS)	$ (189,419)	$ 2,578	$ 1,126	$ 3,697	$ 4,980	$ 4,744	$ -	$ -	$ (114,127)	$ -
Covered Payroll	$ 5,437,640	$ 5,691,409	$ 5,953,131	$ 6,099,597	$ 6,149,431	$ 6,433,892	$ 6,335,246	$ 6,683,400	$ 6,820,983	$ 4,848,387
Contributions as a Percentage of Covered Payroll	37.87%	34.96%	35.11%	39.60%	38.81%	41.74%	46.26%	52.09%	51.05%	74.51%

*The City changed its fiscal year end from April 30 to December 31 effective December 31, 2024.

Notes to the Required Supplementary Information

Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 17 years; the asset valuation method was five-year smoothed market; inflation was 2.25%, individual payroll increases were 3.75%-21.54%, and the interest rate assumption was 7.25% annually.

The lag betweent information in actuarial reports and actual contributions made are the result of tax collection cycles.

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION FUND

Last Ten Audit Periods

	April 30,									December 31,
AUDIT PERIOD ENDED	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2024***
Actuarially Determined Contribution	$ 1,767,767	$ 1,518,852	$ 1,609,399	$ 1,884,348	$ 1,847,033	$ 1,882,261	$ 2,023,967	$ 2,203,496	$ 2,030,416	$ 2,103,947
Contributions in Relation to the Actuarially Determined Contribution	1,928,928	1,690,980	1,608,539	1,881,728	1,843,179	1,878,976	2,023,991	2,285,797	2,286,134	2,285,640
CONTRIBUTION DEFICIENCY (EXCESS)	$ (161,161)	$ (172,128)	$ 860	$ 2,620	$ 3,854	$ 3,285	$ (24)	$ (82,301)	$ (255,718)	$ (181,693)
Covered Payroll	$ 5,744,609	$ 5,908,574	$ 6,229,293	$ 6,482,045	$ 7,075,908	$ 7,047,861	$ 6,827,656	$ 6,560,707	$ 6,822,798	$ 4,567,628
Contributions as a Percentage of Covered Payroll	33.58%	28.62%	25.82%	29.03%	26.05%	26.66%	29.64%	34.84%	33.51%	50.04%

*The City changed its fiscal year end from April 30 to December 31 effective December 31, 2024.

Notes to the Required Supplementary Information

Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 17 years; the asset valuation method was five-year smoothed market; inflation was 2.25%, individual payroll increases were 3.75%-8.78%, and the interest rate assumption was 7.25% annually.

The lag betweent information in actuarial reports and actual contributions made are the result of tax collection cycles.

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

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

Last Nine Calendar Years*

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020	2021	2022	2023
TOTAL PENSION LIABILITY									
Service Cost	$ 1,211,429	$ 1,199,753	$ 1,173,075	$ 1,117,896	$ 1,160,290	$ 1,204,021	$ 1,147,812	$ 1,124,209	$ 1,113,250
Interest	4,343,976	4,539,611	4,819,887	4,947,320	5,275,067	5,544,651	5,856,444	6,068,226	6,372,722
Changes of Benefit Terms	-	-	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	(1,001,063)	121,980	126,838	1,257,266	283,884	1,603,138	(174,967)	1,618,129	570,735
Changes of Assumptions	79,521	(248,700)	(1,994,006)	2,166,714	-	(699,531)	-	-	12,119
Benefit Payments, Including Refunds of Member Contributions	(1,903,179)	(1,959,499)	(2,251,265)	(2,546,931)	(2,883,298)	(3,162,117)	(3,485,043)	(4,307,672)	(4,902,597)
Net Change in Total Pension Liability	2,730,684	3,653,145	1,874,529	6,942,265	3,835,943	4,490,162	3,344,246	4,502,892	3,166,229
Total Pension Liability - Beginning	58,420,423	61,151,107	64,804,252	66,678,781	73,621,046	77,456,989	81,947,151	85,291,397	89,794,289
TOTAL PENSION LIABILITY - ENDING	$ 61,151,107	$ 64,804,252	$ 66,678,781	$ 73,621,046	$ 77,456,989	$ 81,947,151	$ 85,291,397	$ 89,794,289	$ 92,960,518
PLAN FIDUCIARY NET POSITION									
Contributions - Employer	$ 1,390,362	$ 1,424,559	$ 1,388,105	$ 1,469,484	$ 1,260,041	$ 1,615,854	$ 1,592,450	$ 1,424,027	$ 1,131,163
Contributions - Member	485,951	490,006	507,135	503,413	553,793	528,825	556,887	573,623	535,265
Net Investment Income	256,105	3,526,328	9,228,845	(3,068,591)	11,122,244	9,737,032	13,281,939	(11,142,027)	8,488,407
Benefit Payments, Including Refunds of Member Contributions	(1,903,179)	(1,959,499)	(2,251,265)	(2,546,931)	(2,883,298)	(3,162,117)	(3,485,043)	(4,307,672)	(4,902,597)
Other	(702,990)	335,991	(550,873)	1,044,285	(412,236)	866,615	(181,709)	224,858	832,510
Net Change in Plan Fiduciary Net Position	(473,751)	3,817,385	8,321,947	(2,598,340)	9,640,544	9,586,209	11,764,524	(13,227,191)	6,084,748
Plan Fiduciary Net Position - Beginning	51,234,516	50,760,765	54,578,150	62,900,097	60,301,757	69,942,301	79,528,510	91,293,034	78,065,843
PLAN FIDUCIARY NET POSITION - ENDING	$ 50,760,765	$ 54,578,150	$ 62,900,097	$ 60,301,757	$ 69,942,301	$ 79,528,510	$ 91,293,034	$ 78,065,843	$ 84,150,591
EMPLOYER'S NET PENSION LIABILITY (ASSET)	$ 10,390,342	$ 10,226,102	$ 3,778,684	$ 13,319,289	$ 7,514,688	$ 2,418,641	$ (6,001,637)	$ 11,728,446	$ 8,809,927

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020	2021	2022	2023
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	83.01%	84.22%	94.33%	81.91%	90.30%	97.05%	107.04%	86.94%	90.52%
Covered Payroll	$ 10,752,994	$ 10,717,757	$ 10,847,310	$ 11,174,779	$ 11,382,497	$ 11,751,668	$ 11,564,632	$ 11,936,530	$ 11,882,891
Employer's Net Pension Liability (Asset) as a Percentage of Covered Payroll	96.63%	95.41%	34.84%	119.19%	66.02%	20.58%	(51.90%)	98.26%	74.14%

*The City reports IMRF one year behind the fiscal year.

In 2016, changes in assumptions related to the discount rate.

In 2017, changes in assumptions related to salary rates, inflation rates, and mortality rates.

In 2018, changes in assumptions related to the discount rate.

In 2020, changes in assumptions related to salary rates, price inflation, retirement age and mortality rates.

In 2023, changes in assumptions related to mortality rates.

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

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

Last Ten Audit Periods

					April 30,					December 31,
MEASUREMENT DATE	**2016**	**2017**	**2018**	**2019****	**2020**	**2021**	**2022**	**2023**	**2024**	**2024***
TOTAL PENSION LIABILITY										
Service Cost	$ 1,406,344	$ 1,384,616	$ 1,480,535	$ 1,514,366	$ 1,428,215	$ 1,536,190	$ 1,537,742	$ 1,427,059	$ 1,502,290	$ 1,015,698
Interest	4,154,656	4,647,595	4,740,074	4,795,473	5,108,983	5,486,253	5,480,564	5,844,925	6,122,048	4,393,974
Changes of Benefit Terms	-	-	-	-	264,843	-	-	(42,061)	-	-
Differences Between Expected and Actual Experience	(652,931)	(90,119)	(3,331,174)	1,017,819	394,864	(91,869)	(1,345,391)	931,558	2,726,586	492,812
Changes of Assumptions	4,302,384	(2,002,799)	2,903,482	(1,868,828)	1,047,031	-	-	-	-	266,714
Benefit Payments, Including Refunds of Member Contributions	(2,258,561)	(2,564,023)	(2,763,423)	(3,154,254)	(3,254,765)	(3,228,925)	(3,850,144)	(3,968,584)	(4,721,701)	(3,044,050)
Net Change in Total Pension Liability	6,951,892	1,375,270	3,029,494	2,304,576	4,989,171	3,701,649	1,822,771	4,192,897	5,629,223	3,125,148
Total Pension Liability - Beginning	58,434,882	65,386,774	66,762,044	69,791,538	72,096,114	77,085,285	80,786,934	82,609,705	86,802,602	92,431,825
TOTAL PENSION LIABILITY - ENDING	$ 65,386,774	$ 66,762,044	$ 69,791,538	$ 72,096,114	$ 77,085,285	$ 80,786,934	$ 82,609,705	$ 86,802,602	$ 92,431,825	$ 95,556,973
PLAN FIDUCIARY NET POSITION										
Contributions - Employer	$ 2,059,342	$ 1,989,776	$ 2,089,940	$ 2,415,148	$ 2,386,343	$ 2,685,733	$ 2,930,906	$ 3,481,415	$ 3,482,254	$ 3,612,536
Contributions - Member	579,535	551,461	570,493	633,079	608,715	798,533	1,030,717	1,088,129	1,125,031	483,837
Net Investment Income	(528,210)	3,391,766	2,829,729	1,623,122	(1,363,475)	11,056,030	(2,788,427)	661,661	4,757,914	4,340,101
Benefit Payments, Including Refunds of Member Contributions	(2,258,561)	(2,564,023)	(2,763,423)	(3,154,254)	(3,254,765)	(3,228,925)	(3,850,144)	(3,968,584)	(4,721,701)	(3,044,050)
Other	(53,004)	(37,390)	(16,115)	(16,137)	(20,134)	(21,369)	(21,360)	(22,925)	(14,894)	(10,334)
Net Change in Plan Fiduciary Net Position	(200,898)	3,331,590	2,710,624	1,500,958	(1,643,316)	11,290,002	(2,698,308)	1,239,696	4,628,604	5,382,090
Plan Fiduciary Net Position - Beginning	33,757,017	33,556,119	36,887,709	39,598,333	41,099,291	39,455,975	50,745,977	48,047,669	49,287,365	53,915,969
PLAN FIDUCIARY NET POSITION - ENDING	$ 33,556,119	$ 36,887,709	$ 39,598,333	$ 41,099,291	$ 39,455,975	$ 50,745,977	$ 48,047,669	$ 49,287,365	$ 53,915,969	$ 59,298,059
EMPLOYER'S NET PENSION LIABILITY	$ 31,830,655	$ 29,874,335	$ 30,193,205	$ 30,996,823	$ 37,629,310	$ 30,040,957	$ 34,562,036	$ 37,515,237	$ 38,515,856	$ 36,258,914

MEASUREMENT DATE	2016	2017	2018	2019**	2020	2021	2022	2023	2024	2024*
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	51.32%	55.25%	56.74%	57.01%	51.18%	62.81%	58.16%	56.78%	58.33%	62.06%
Covered Payroll	$ 5,437,640	$ 5,691,409	$ 5,953,131	$ 6,099,597	$ 6,149,431	$ 6,433,892	$ 6,335,246	$ 6,683,400	$ 6,820,983	$ 7,272,581
Employer's Net Pension Liability as a Percentage of Covered Payroll	585.38%	524.90%	507.18%	508.18%	611.92%	466.92%	545.55%	561.32%	564.67%	498.57%

*The City changed its fiscal year end from April 30 to December 31 effective December 31, 2024.

Changes in assumptions related to inflation, salary increases, cost of living adjustments, and mortality rates were made in December 2024.

Tier II Police retirees are provided postemployment benefit increases based on the lesser of 3.00% of the original retirement benefits or one-half of the Consumer Price Index (Urban) for the prior September. The average increase in the CPI-U for September 1992 through September 2022 was 2.52% (on a compounded basis). Changes in Benefit Terms in 2023 related to Tier II benefit increases.

Changes in assumption related to the projected individual pay increases, inflation rate, mortality rates, morality improvement rates, retirement rates, termination rates and disability rates were made in 2021.

Changes in assumption related to the projected individual pay increases, inflation rate, mortality rates, morality improvement rates, retirement rates, termination rates and disability rates were made in 2020.

In 2020, the results reflect plan benefit changes under PA-101-0610 (SB 1300). These legislative changes reflect modifications to the Tier II plan provisions.

**Changes in assumptions related to the discount rate were made in 2019.

CITY OF CRYSTAL LAKE, ILLINOIS

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

Last Ten Audit Periods

	April 30,									December 31,
MEASUREMENT DATE	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2024***
TOTAL PENSION LIABILITY										
Service Cost	$ 1,480,463	$ 1,597,021	$ 1,663,767	$ 1,518,410	$ 1,593,494	$ 1,806,035	$ 1,768,476	$ 1,742,756	$ 1,642,278	$ 1,059,574
Interest	2,898,718	3,314,039	3,466,784	3,583,943	3,890,887	4,065,873	4,152,925	4,519,254	4,845,209	3,528,560
Changes of Benefit Terms	-	-	-	-	496,787	-	-	(83,818)	-	-
Differences Between Expected and Actual Experience	(85,631)	20,498	(1,976,589)	221,515	(507,207)	(2,198,565)	(1,513,765)	766,930	2,011,375	(186,884)
Changes of Assumptions	2,768,663	(1,386,277)	(48,865)	419,832	598,398	-	-	-	-	2,363,913
Benefit Payments, Including Refunds of Member Contributions	(1,286,016)	(1,381,293)	(1,495,603)	(1,482,619)	(1,537,360)	(1,575,630)	(1,974,968)	(2,236,078)	(2,760,245)	(1,888,894)
Net Change in Total Pension Liability	5,776,197	2,163,988	1,609,494	4,261,081	4,534,999	2,097,713	2,432,668	4,709,044	5,738,617	4,876,269
Total Pension Liability - Beginning	40,625,329	46,401,526	48,565,514	50,175,008	54,436,089	58,971,088	61,068,801	63,501,469	68,210,513	73,949,130
TOTAL PENSION LIABILITY - ENDING	$ 46,401,526	$ 48,565,514	$ 50,175,008	$ 54,436,089	$ 58,971,088	$ 61,068,801	$ 63,501,469	$ 68,210,513	$ 73,949,130	$ 78,825,399
PLAN FIDUCIARY NET POSITION										
Contributions - Employer	$ 1,928,928	$ 1,690,980	$ 1,608,539	$ 1,881,728	$ 1,843,179	$ 1,878,976	$ 2,023,991	$ 2,285,797	$ 2,286,134	$ 2,285,640
Contributions - Member	570,933	544,683	584,464	603,777	660,175	666,374	645,544	620,325	646,058	431,851
Net Investment Income	292,962	2,510,351	2,061,996	2,384,267	662,186	11,129,344	(3,204,390)	507,519	5,444,671	5,054,829
Benefit Payments, Including Refunds of Member Contributions	(1,286,016)	(1,381,293)	(1,495,603)	(1,482,619)	(1,537,360)	(1,575,630)	(1,974,968)	(2,236,078)	(2,760,245)	(1,888,894)
Other	(51,823)	(58,025)	(16,840)	(22,532)	(18,449)	(17,831)	(69,328)	(55,129)	(63,559)	(50,891)
Net Change in Plan Fiduciary Net Position	1,454,984	3,306,696	2,742,556	3,364,621	1,609,731	12,081,233	(2,579,151)	1,122,434	5,553,059	5,832,535
Plan Fiduciary Net Position - Beginning	27,682,245	29,137,229	32,443,925	35,186,481	38,551,102	40,160,833	52,242,066	49,662,915	50,785,349	56,338,408
PLAN FIDUCIARY NET POSITION - ENDING	$ 29,137,229	$ 32,443,925	$ 35,186,481	$ 38,551,102	$ 40,160,833	$ 52,242,066	$ 49,662,915	$ 50,785,349	$ 56,338,408	$ 62,170,943
EMPLOYER'S NET PENSION LIABILITY	$ 17,264,297	$ 16,121,589	$ 14,988,527	$ 15,884,987	$ 18,810,255	$ 8,826,735	$ 13,838,554	$ 17,425,164	$ 17,610,722	$ 16,654,456

MEASUREMENT DATE	2016	2017	2018	2019	2020	2021	2022	2023	2024	2024*
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.79%	66.80%	70.13%	70.82%	68.10%	85.55%	78.21%	74.45%	76.19%	78.87%
Covered Payroll	$ 5,744,609	$ 5,908,574	$ 6,229,293	$ 6,482,045	$ 7,075,908	$ 7,047,861	$ 6,827,656	$ 6,560,707	$ 6,822,798	$ 6,851,442
Employer's Net Pension Liability as a Percentage of Covered Payroll	300.53%	272.85%	240.61%	245.06%	265.84%	125.24%	202.68%	265.60%	258.12%	243.08%

*The City changed its fiscal year end from April 30 to December 31 effective December 31, 2024.

Changes in assumptions related to inflation, salary increases, cost of living adjustments, and mortality rates were made in December 2024.

Tier II Firefighter retirees are provided postemployment benefit increases based on the lesser of 3.00% of the original retirement benefits or one-half of the Consumer Price Index (Urban) for the prior September. The average increase in the CPI-U for September 1992 through September 2022 was 2.52% (on a compounded basis). Changes in Benefit Terms in 2023 related to Tier II benefit increases.

Changes in assumption related to the projected individual pay increases, inflation rate, mortality rates, morality improvement rates, retirement rates, termination rates and disability rates were made in 2020.

In 2020, the results reflect plan benefit changes under PA-101-0610 (SB 1300). These legislative changes reflect modifications to the Tier II plan provisions.

Changes in assumptions related to the discount rate were made in 2019.

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND

Last Ten Audit Periods

	April 30,									December 31,
AUDIT PERIOD ENDED	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2024***
Annual money-weighted rate of return, net of investment expense	(1.60%)	9.98%	7.62%	4.20%	(2.96%)	29.29%	(5.53%)	1.00%	9.70%	7.95%

*The City changed its fiscal year end from April 30 to December 31 effective December 31, 2024.

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS
FIREFIGHTERS' PENSION FUND

Last Ten Audit Periods

	April 30,									December 31,
AUDIT PERIOD ENDED	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2024***
Annual money-weighted rate of return, net of investment expense	0.74%	7.77%	6.26%	7.25%	1.67%	27.24%	(6.23%)	0.70%	10.70%	8.89%

*The City changed its fiscal year end from April 30 to December 31 effective December 31, 2024.

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

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

Last Eight Audit Periods

	April 30,							December 31,
MEASUREMENT DATE	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2024***
TOTAL OPEB LIABILITY								
Service Cost	$ 120,186	$ 124,957	$ 109,111	$ 150,761	$ 219,673	$ 163,893	$ 159,849	$ 114,678
Interest	160,856	163,403	159,615	133,554	122,330	230,052	236,984	280,085
Differences Between Expected and Actual Experience	-	-	(66,180)	-	955,826	-	614,613	-
Changes of Benefit Terms	-	-	-	-	54,086	-	75,724	-
Changes of Assumptions	-	79,519	951,236	151,438	(653,700)	(74,780)	(105,164)	75,019
Benefit Payments	(224,631)	(209,087)	(201,398)	(229,398)	(298,059)	(316,015)	(434,186)	(304,760)
Net Change in Total OPEB Liability	56,411	158,792	952,384	206,355	400,156	3,150	547,820	165,022
Total OPEB Liability - Beginning	4,164,077	4,220,488	4,379,280	5,331,664	5,538,019	5,938,175	5,941,325	6,489,145
TOTAL OPEB LIABILITY - ENDING	$ 4,220,488	$ 4,379,280	$ 5,331,664	$ 5,538,019	$ 5,938,175	$ 5,941,325	$ 6,489,145	$ 6,654,167
Covered-Employee Payroll	$ 21,087,988	$ 23,410,540	$ 23,397,653	$ 24,788,593	$ 23,594,626	$ 24,419,749	$ 24,698,571	$ 25,563,454
Employer's Total OPEB Liability as a Percentage of Covered-Employee Payroll	20.01%	18.71%	22.79%	22.34%	25.17%	24.33%	26.27%	26.03%

*The City changed its fiscal year end from April 30 to December 31 effective December 31, 2024.

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

Changes in assumption related to the discount rate were made in December 2024.

Changes in assumption related to the discount rate were made in April 2024. Changes in benefit terms related to PSEBA benefits were made in April 2024.

Changes in assumption related to the discount rate were made in 2023.

Changes in assumption related to the discount rate, starting per capita costs, health care trend rates were made in 2022. Changes in benefit terms related to updating decrements and PSEBA benefits were made in 2022.

Changes in assumption related to the discount rate were made in 2021.

Changes in assumption related to the projected total payroll increases, inflation rate, mortality rates, morality improvement rates, retirement rates, termination rates, disability rates and the discount rate were made in 2020.

Changes in assumption related to the discount rate were made in 2019.

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

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

MAJOR GOVERNMENTAL FUNDS

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Charges for Services				
Review Fees	$ 90,000	$ 90,000	$ 143,576	$ 53,576
Parking	120,000	120,000	99,648	(20,352)
Police Revenue	70,000	70,000	88,775	18,775
Other Fees	207,000	207,000	262,220	55,220
Rental Income	353,723	353,723	313,296	(40,427)
Total Charges for Services	840,723	840,723	907,515	66,792
Licenses and Permits				
Liquor Licenses	136,500	136,500	139,627	3,127
Miscellaneous Licenses and Permits	15,500	15,500	15,625	125
Building Permits	500,000	500,000	582,895	82,895
Total Licenses and Permits	652,000	652,000	738,147	86,147
Intergovernmental				
Income Tax	4,274,951	4,274,951	4,569,869	294,918
Local Use Tax	1,001,764	1,001,764	957,269	(44,495)
Replacement Tax	201,158	201,158	178,412	(22,746)
State Sales Tax	8,915,785	8,915,785	11,051,870	2,136,085
Grants	22,000	22,000	48,720	26,720
Total Intergovernmental	14,415,658	14,415,658	16,806,140	2,390,482
Fines and Forfeitures				
Police Fines	282,000	282,000	274,080	(7,920)
Adjudication Fines	30,000	30,000	41,313	11,313
Total Fines and Forfeitures	312,000	312,000	315,393	3,393
Property Taxes	5,898,176	5,898,176	5,898,176	-
Other Taxes				
Auto Rental Tax	38,960	38,960	46,878	7,918
Franchise Fees - Cable	350,297	350,297	304,973	(45,324)
Home Rule Sales Tax	7,895,435	7,895,435	7,614,329	(281,106)
Hotel Tax	217,616	217,616	389,252	171,636
Telecommunications Tax	329,262	329,262	353,276	24,014
Cannabis Tax	195,000	195,000	209,507	14,507
Total Other Taxes	9,026,570	9,026,570	8,918,215	(108,355)
Investment Income	250,000	250,000	1,301,842	1,051,842
Miscellaneous				
Host Fees	325,000	325,000	331,488	6,488
Other	139,310	139,310	493,925	354,615
Total Miscellaneous	464,310	464,310	825,413	361,103
TOTAL REVENUES	$ 31,859,437	$ 31,859,437	$ 35,710,841	$ 3,851,404

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
GENERAL GOVERNMENT				
Executive Department				
Personal Services	$ 15,200	$ 15,200	$ 15,200	$ -
Contractual Services	407,965	407,965	395,084	(12,881)
Total Executive Department	423,165	423,165	410,284	(12,881)
Legal and Judiciary Department				
Contractual Services	559,695	559,695	484,218	(75,477)
Total Legal and Judiciary Department	559,695	559,695	484,218	(75,477)
Administration Department				
Personal Services	1,346,601	1,346,601	1,210,328	(136,273)
Contractual Services	232,100	232,100	169,755	(62,345)
Materials and Supplies	65,254	65,254	57,376	(7,878)
Total Administration Department	1,643,955	1,643,955	1,437,459	(206,496)
Administration Adjudication Department				
Personal Services	24,233	24,233	21,965	(2,268)
Contractual Services	22,200	22,200	11,936	(10,264)
Materials and Supplies	100	100	-	(100)
Total Administration Adjudication Department	46,533	46,533	33,901	(12,632)
Community Development				
Personal Services	1,237,321	1,237,321	1,118,000	(119,321)
Contractual Services	701,154	701,154	235,962	(465,192)
Materials and Supplies	12,360	12,360	9,106	(3,254)
Total Community Development	1,950,835	1,950,835	1,363,068	(587,767)
Information Technology				
Personal Services	147,403	147,403	133,077	(14,326)
Contractual Services	609,696	609,696	576,613	(33,083)
Materials and Supplies	405,318	405,318	352,828	(52,490)
Total Information Technology	1,162,417	1,162,417	1,062,518	(99,899)
Total General Government	5,786,600	5,786,600	4,791,448	(995,152)

(This schedule is continued on the following pages.)

CITY OF CRYSTAL LAKE, ILLINOIS

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

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
PUBLIC SAFETY				
Police Department				
Personal Services	$ 7,283,719	$ 7,283,719	$ 6,943,958	$ (339,761)
Contractual Services	1,220,541	1,220,541	1,019,365	(201,176)
Materials and Supplies	271,402	271,402	271,004	(398)
Total Police Department	8,775,662	8,775,662	8,234,327	(541,335)
Pension Obligation				
Police Pension Contribution	3,612,536	3,612,536	3,612,536	-
Fire Pension Contribution	2,285,640	2,285,640	2,285,640	-
Total Pension Obligation	5,898,176	5,898,176	5,898,176	-
Fire and Police Commission				
Contractual Services	36,790	36,790	36,551	(239)
Total Fire and Police Commission	36,790	36,790	36,551	(239)
Total Public Safety	14,710,628	14,710,628	14,169,054	(541,574)
HIGHWAY AND STREETS				
Engineering Department				
Personal Services	805,387	805,387	719,620	(85,767)
Contractual Services	211,480	211,480	154,754	(56,726)
Materials and Supplies	29,282	29,282	23,221	(6,061)
Total Engineering Department	1,046,149	1,046,149	897,595	(148,554)
Street Department				
Personal Services	1,198,091	1,198,091	988,354	(209,737)
Contractual Services	1,488,040	1,488,040	1,381,246	(106,794)
Materials and Supplies	247,824	247,824	170,941	(76,883)
Total Street Department	2,933,955	2,933,955	2,540,541	(393,414)
Fleet Services				
Personal Services	466,985	466,985	425,465	(41,520)
Contractual Services	60,916	60,916	51,670	(9,246)
Materials and Supplies	18,638	18,638	17,761	(877)
Total Fleet Services	546,539	546,539	494,896	(51,643)

(This schedule is continued on the following page.)

CITY OF CRYSTAL LAKE, ILLINOIS

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

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
HIGHWAY AND STREETS (Continued)				
Facility Services				
Personal Services	$ 188,711	$ 188,711	$ 163,209	$ (25,502)
Contractual Services	473,587	473,587	309,802	(163,785)
Materials and Supplies	7,750	7,750	7,432	(318)
Total Facility Services	670,048	670,048	480,443	(189,605)
Total Highways and Streets	5,196,691	5,196,691	4,413,475	(783,216)
CULTURE AND RECREATION				
Park Operations				
Personal Services	474,278	474,278	442,390	(31,888)
Contractual Services	253,264	253,264	192,311	(60,953)
Materials and Supplies	90,941	90,941	56,398	(34,543)
Total Three Oaks Recreation	818,483	818,483	691,099	(127,384)
Total Culture and Recreation	818,483	818,483	691,099	(127,384)
DEBT SERVICE				
Principal	43,676	43,676	66,676	23,000
Interest and Fees	10,087	10,087	9,887	(200)
Total Debt Service	53,763	53,763	76,563	22,800
TOTAL EXPENDITURES	$ 26,566,165	$ 26,566,165	$ 24,141,639	$ (2,424,526)

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL AND EQUIPMENT REPLACEMENT FUND

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Other Taxes	$ 152,860	$ 152,860	$ 186,805	$ 33,945
Intergovernmental	1,251,616	1,251,616	21,800	(1,229,816)
Licenses and Permits	65,000	65,000	69,100	4,100
Miscellaneous	307,026	307,026	148,824	(158,202)
Total Revenues	1,776,502	1,776,502	426,529	(1,349,973)
EXPENDITURES				
Capital Outlay				
Information Technology	506,095	506,095	508,548	2,453
Police	178,161	178,161	419,349	241,188
Streets	7,749,892	7,749,892	3,661,274	(4,088,618)
Road Reconstruction	2,325,000	2,325,000	2,214,231	(110,769)
Community Development	3,246,780	3,246,780	425,688	(2,821,092)
Engineering	-	-	-	-
Fleet and Facility Services	3,898,816	3,898,816	2,955,168	(943,648)
Fire Rescue	993,000	993,000	909,088	(83,912)
Parks Operations	1,196,200	1,196,200	271,681	(924,519)
Administration	20,000	20,000	15,507	(4,493)
Debt Service				
Principal	-	-	60,004	60,004
Interest and Fiscal Charges	-	-	1,854	1,854
Total Expenditures	20,113,944	20,113,944	11,442,392	(8,671,552)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(18,337,442)	(18,337,442)	(11,015,863)	7,321,579
OTHER FINANCING SOURCES (USES)				
Transfers In	9,367,759	9,367,759	13,618,695	4,250,936
Lease Issuance	-	-	87,494	87,494
SBITA Issuance	-	-	359,326	359,326
Installment Contract Issuance	-	-	119,398	119,398
Sale of Capital Assets	-	-	24,442	24,442
Total Other Financing Sources (Uses)	9,367,759	9,367,759	14,209,355	4,841,596
NET CHANGE IN FUND BALANCE	$ (8,969,683)	$ (8,969,683)	3,193,492	$ 12,163,175
FUND BALANCE, MAY 1, AS REPORTED			16,095,099	
Error Correction			516,812	
FUND BALANCE, MAY 1, AS RESTATED			16,611,911	
FUND BALANCE, DECEMBER 31			$ 19,805,403	

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

CITY OF CRYSTAL LAKE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2024

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash and Investments	$ 6,892,185	$ -	$ 8,547,100	$ 15,439,285
Receivables				
Property Taxes	1,416,965	-	739,621	2,156,586
Accounts Receivable	113,154	-	-	113,154
Accrued Interest	116	-	-	116
Other	68,354	-	133,661	202,015
Due from Other Governments	167,633	-	-	167,633
Due from Other Funds	10,265	240	-	10,505
Due from Fidiciary Funds	19,703	-	-	19,703
Prepaid Items	7,733	-	1,020,495	1,028,228
Total Assets	8,696,108	240	10,440,877	19,137,225
DEFERRED OUTFLOWS OF RESOURCES				
None	-	-	-	-
Total Deferred Outflows of Resources	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 8,696,108	$ 240	$ 10,440,877	$ 19,137,225
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ 160,769	$ 240	$ 74,526	$ 235,535
Recapture Fees Payable	-	-	75,596	75,596
Due to Other Funds	263,744	-	1,004,800	1,268,544
Advances due to other funds	-	-	168,561	168,561
Total Liabilities	424,513	240	1,323,483	1,748,236
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Tax	1,416,965	-	739,621	2,156,586
Total Deferred Inflows of Resources	1,416,965	-	739,621	2,156,586
Total Liabilities and Deferred Inflows of Resources	1,841,478	240	2,063,104	3,904,822

(This statement is continued on the following page.)

CITY OF CRYSTAL LAKE, ILLINOIS

COMBINING BALANCE SHEET (Continued)
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2024

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
FUND BALANCES				
Nonspendable				
Prepaid Items	$ 7,733	$ -	$ 1,020,495	$ 1,028,228
Restricted				
IMRF/FICA	1,425,235	-	-	1,425,235
Public Safety	916,558	-	-	916,558
Park Development	-	-	1,272,817	1,272,817
Parking	55,926	-	-	55,926
Highway and Street Maintenance	4,144,197	-	-	4,144,197
Capital Improvement Projects	-	-	140,091	140,091
Unrestricted				
Assigned				
Special Revenue Funds	304,981	-	-	304,981
Capital	-	-	6,100,771	6,100,771
Unassigned (Deficit)	-	-	(156,401)	(156,401)
Total Fund Balances	6,854,630	-	8,377,773	15,232,403
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 8,696,108	$ 240	$ 10,440,877	$ 19,137,225

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

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

For the Eight Months Ended December 31, 2024

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
REVENUES				
Property Taxes	$ 1,841,788	$ -	$ 447,104	$ 2,288,892
Other Taxes	41,849	-	-	41,849
Intergovernmental	1,276,103	-	-	1,276,103
Charges for Services	73,704	-	-	73,704
Licenses and Permits	38	-	-	38
Fines and Forfeitures	38,690	-	-	38,690
Investment Income	251,537	-	1,551	253,088
Miscellaneous	250,739	-	280,126	530,865
Total Revenues	3,774,448	-	728,781	4,503,229
EXPENDITURES				
Current Operating				
General Government	550,141	240	23,376	573,757
Public Safety	236,548	-	-	236,548
Highways and Streets	507,666	-	-	507,666
Culture and Recreation	9,114	-	-	9,114
Capital Outlay	-	-	920,337	920,337
Debt Service				
Principal	-	800,835	391,178	1,192,013
Interest and Fiscal Charges	-	201,342	46,962	248,304
Total Expenditures	1,303,469	1,002,417	1,381,853	3,687,739
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,470,979	(1,002,417)	(653,072)	815,490
OTHER FINANCING SOURCES (USES)				
Transfers In	-	1,002,417	4,258,260	5,260,677
Transfers (Out)	(4,298,617)	-	(1,451,708)	(5,750,325)
Lease Issuance	-	-	158,203	158,203
Sale of Capital Assets	-	-	63,280	63,280
Total Other Financing Sources (Uses)	(4,298,617)	1,002,417	3,028,035	(268,165)
NET CHANGE IN FUND BALANCES	(1,827,638)	-	2,374,963	547,325
FUND BALANCES, MAY 1	8,682,268	-	6,002,810	14,685,078
FUND BALANCES, DECEMBER 31	$ 6,854,630	$ -	$ 8,377,773	$ 15,232,403

(See independent auditor's report.)

NONMAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for revenues derived from specific restricted taxes or other restricted or committed revenue sources which, by law, are restricted to finance particular functions or activities of government and which therefore cannot be diverted to other uses.

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

IMRF/FICA - To account for revenues derived from a separate tax levy and disbursement of these funds for contributions to the state-sponsored Illinois Municipal Retirement Fund and to Social Security and Medicare.

Road/Vehicle License - To account for revenues received from the county road and bridge taxes and to account for revenue from vehicle license fees.

School Crossing Guard - To account for expenditures related to school crossing guards.

Restricted Police Fund - To account for revenues derived from narcotic asset seizures and expenses incurred from activities intended to restrict such activities.

Commuter Parking Fund - To account for revenues derived from and expenses incurred to maintain the commuter parking lot.

SSA 47 - To account for the accumulation of resources for, and the payment of, inspection, maintenance and repair costs of storm water facilities in Special Service Area No. 47. Financing is being provided by a property tax levy on property owners in the Special Service Area No. 47.

CITY OF CRYSTAL LAKE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2024

	Motor Fuel Tax	IMRF/ FICA	Road/ Vehicle License	School Crossing Guard
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash and Investments	$ 4,262,210	$ 1,405,416	$ 147,330	$ 160,409
Receivables				
Property Taxes, Net	-	1,336,538	-	80,427
Accounts Receivable	72,707	-	-	-
Accrued Interest	-	116	-	-
Other	11,612	-	13	38,925
Due from Other Governments	151,214	-	-	-
Due from Other Funds	10,205	-	-	-
Due from Fidiciary Funds	-	19,703	-	-
Prepaid Items	-	-	-	-
Total Assets	4,507,948	2,761,773	147,343	279,761
DEFERRED OUTFLOWS OF RESOURCES				
None	-	-	-	-
Total Deferred Outflows of Resources	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 4,507,948	$ 2,761,773	$ 147,343	$ 279,761
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ 104,305	$ -	$ -	$ 41,696
Due to Other Funds	263,744	-	-	-
Total Liabilities	368,049	-	-	41,696
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Tax	-	1,336,538	-	80,427
Total Deferred Inflows of Resources	-	1,336,538	-	80,427
Total Liabilities and Deferred Inflows of Resources	368,049	1,336,538	-	122,123
FUND BALANCES				
Nonspendable				
Prepaid Items	-	-	-	-
Restricted				
IMRF/FICA	-	1,425,235	-	-
Public Safety	-	-	-	-
Parking	-	-	-	-
Highway and Street Maintenance	4,139,899	-	-	-
Assigned	-	-	147,343	157,638
Total Fund Balances	4,139,899	1,425,235	147,343	157,638
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 4,507,948	$ 2,761,773	$ 147,343	$ 279,761

Restricted Police	Commuter Parking	SSA 47	Total
$ 908,211	$ 4,311	$ 4,298	$ 6,892,185
-	-	-	1,416,965
-	40,447	-	113,154
-	-	-	116
3,151	14,653	-	68,354
16,419	-	-	167,633
-	60	-	10,265
-	-	-	19,703
-	7,733	-	7,733
927,781	67,204	4,298	8,696,108
-	-	-	-
-	-	-	-
$ 927,781	$ 67,204	$ 4,298	$ 8,696,108

$ 11,223	$ 3,545	$ -	$ 160,769
-	-	-	263,744
11,223	3,545	-	424,513
-	-	-	1,416,965
-	-	-	1,416,965
11,223	3,545	-	1,841,478
-	7,733	-	7,733
-	-	-	1,425,235
916,558	-	-	916,558
-	55,926	-	55,926
-	-	4,298	4,144,197
-	-	-	304,981
916,558	63,659	4,298	6,854,630
$ 927,781	$ 67,204	$ 4,298	$ 8,696,108

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

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

For the Eight Months Ended December 31, 2024

	Motor Fuel Tax	IMRF/ FICA	Road/ Vehicle License	School Crossing Guard
REVENUES				
Property Taxes	$ -	$ 1,269,646	$ 495,412	$ 75,530
Other Taxes	-	-	-	-
Intergovernmental	1,236,094	-	-	-
Charges for Service	-	-	-	-
Licenses and Permits	-	-	38	-
Fines and Forfeitures	-	-	-	-
Investment Income	250,057	1,258	54	120
Miscellaneous	102,900	1,212	-	38,914
Total Revenues	1,589,051	1,272,116	495,504	114,564
EXPENDITURES				
General Government	-	428,339	-	-
Public Safety	-	127,590	-	77,465
Highways and Streets	161,349	346,317	-	-
Culture and Recreation	-	9,114	-	-
Total Expenditures	161,349	911,360	-	77,465
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,427,702	360,756	495,504	37,099
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	(3,821,357)	-	(450,160)	-
Total Other Financing Sources (Uses)	(3,821,357)	-	(450,160)	-
NET CHANGE IN FUND BALANCES	(2,393,655)	360,756	45,344	37,099
FUND BALANCES, MAY 1	6,533,554	1,064,479	101,999	120,539
FUND BALANCES, DECEMBER 31	$ 4,139,899	$ 1,425,235	$ 147,343	$ 157,638

Restricted Police	Commuter Parking	SSA 47	Total
$ -	$ -	$ 1,200	$ 1,841,788
41,849	-	-	41,849
40,009	-	-	1,276,103
-	73,704	-	73,704
-	-	-	38
-	38,690	-	38,690
-	46	2	251,537
107,713	-	-	250,739
189,571	112,440	1,202	3,774,448
-	121,552	250	550,141
31,493	-	-	236,548
-	-	-	507,666
-	-	-	9,114
31,493	121,552	250	1,303,469
158,078	(9,112)	952	2,470,979
(27,100)	-	-	(4,298,617)
(27,100)	-	-	(4,298,617)
130,978	(9,112)	952	(1,827,638)
785,580	72,771	3,346	8,682,268
$ 916,558	$ 63,659	$ 4,298	$ 6,854,630

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

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

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Intergovernmental	$ 1,259,502	$ 1,259,502	$ 1,236,094	$ (23,408)
Investment Income	30,000	30,000	250,057	220,057
Miscellaneous	-	-	102,900	102,900
Total Revenues	1,289,502	1,289,502	1,589,051	299,549
EXPENDITURES				
Highway and Streets				
Contractual Services	155,800	155,800	97,120	(58,680)
Materials and Supplies	293,200	293,200	64,229	(228,971)
Total Expenditures	449,000	449,000	161,349	(287,651)
EXCESS OF REVENUES OVER EXPENDITURES	840,502	840,502	1,427,702	587,200
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	(6,255,599)	(6,255,599)	(3,821,357)	2,434,242
Total Other Financing Sources (Uses)	(6,255,599)	(6,255,599)	(3,821,357)	2,434,242
NET CHANGE IN FUND BALANCE	$ (5,415,097)	$ (5,415,097)	(2,393,655)	$ 3,021,442
FUND BALANCE, MAY 1			6,533,554	
FUND BALANCE, DECEMBER 31			$ 4,139,899	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
IMRF/FICA FUND

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	$ 1,310,699	$ 1,310,699	$ 1,269,646	$ (41,053)
Investment Income	1,000	1,000	1,258	258
Miscellaneous	-	-	1,212	1,212
Total Revenues	1,311,699	1,311,699	1,272,116	(39,583)
EXPENDITURES				
General Government				
Personnel Services	520,749	520,749	428,339	(92,410)
Public Safety				
Personnel Services	155,117	155,117	127,590	(27,527)
Highways and Streets				
Personnel Services	421,032	421,032	346,317	(74,715)
Culture and Recreation				
Personnel Services	11,080	11,080	9,114	(1,966)
Total Expenditures	1,107,978	1,107,978	911,360	(196,618)
NET CHANGE IN FUND BALANCE	$ 203,721	$ 203,721	360,756	$ 157,035
FUND BALANCE, MAY 1			1,064,479	
FUND BALANCE, DECEMBER 31			$ 1,425,235	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ROAD/VEHICLE LICENSE FUND

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	$ 450,000	$ 450,000	$ 495,412	$ 45,412
Licenses and Permits	-	-	38	38
Investment Income	160	160	54	(106)
Total Revenues	450,160	450,160	495,504	45,344
EXPENDITURES				
None	-	-	-	-
Total Expenditures	-	-	-	-
EXCESS OF REVENUES OVER EXPENDITURES	450,160	450,160	495,504	45,344
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	(450,160)	(450,160)	(450,160)	-
Total Other Financing Sources (Uses)	(450,160)	(450,160)	(450,160)	-
NET CHANGE IN FUND BALANCE	$ -	$ -	45,344	$ 45,344
FUND BALANCE, MAY 1			101,999	
FUND BALANCE, DECEMBER 31			$ 147,343	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SCHOOL CROSSING GUARD FUND

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	$ 75,966	$ 75,966	$ 75,530	$ (436)
Investment Income	100	100	120	20
Miscellaneous	43,176	43,176	38,914	(4,262)
Total Revenues	119,242	119,242	114,564	(4,678)
EXPENDITURES				
Public Safety				
Contractual Services	86,352	86,352	77,465	(8,887)
Total Expenditures	86,352	86,352	77,465	(8,887)
NET CHANGE IN FUND BALANCE	$ 32,890	$ 32,890	37,099	$ 4,209
FUND BALANCE, MAY 1			120,539	
FUND BALANCE, DECEMBER 31			$ 157,638	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

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

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Other Taxes	$ 40,000	$ 40,000	$ 41,849	$ 1,849
Intergovernmental	45,340	45,340	40,009	(5,331)
Miscellaneous	-	-	107,713	107,713
Total Revenues	85,340	85,340	189,571	104,231
EXPENDITURES				
Public Safety				
Miscellaneous	106,520	106,520	31,493	(75,027)
Total Expenditures	106,520	106,520	31,493	(75,027)
EXCESS OF REVENUES OVER EXPENDITURES	(21,180)	(21,180)	158,078	179,258
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	-	-	(27,100)	(27,100)
Total Other Financing Sources (Uses)	-	-	(27,100)	(27,100)
NET CHANGE IN FUND BALANCE	$ (21,180)	$ (21,180)	130,978	$ 152,158
FUND BALANCE, MAY 1			785,580	
FUND BALANCE, DECEMBER 31			$ 916,558	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COMMUTER PARKING LOT FUND

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Charges for Services	$ 70,000	$ 70,000	$ 73,704	$ 3,704
Fines and Forfeitures	35,000	35,000	38,690	3,690
Investment Income	-	-	46	46
Total Revenues	105,000	105,000	112,440	7,440
EXPENDITURES				
General Government				
Personnel Services	89,598	89,598	89,598	-
Contractual Services	59,048	59,048	31,954	(27,094)
Materials and Supplies	2,650	2,650	-	(2,650)
Total Expenditures	151,296	151,296	121,552	(29,744)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(46,296)	(46,296)	(9,112)	37,184
OTHER FINANCING SOURCES (USES)				
Transfers In	40,000	40,000	-	(40,000)
Total Other Financing Sources (Uses)	40,000	40,000	-	(40,000)
NET CHANGE IN FUND BALANCE	$ (6,296)	$ (6,296)	(9,112)	$ (2,816)
FUND BALANCE, MAY 1			72,771	
FUND BALANCE, DECEMBER 31			$ 63,659	

(See independent auditor's report.)

NONMAJOR DEBT SERVICE FUNDS

Debt Service are used to account for the resources restricted, committed or assigned for the payment of interest and principal on general and special obligation debt other than that payable from the Special Assessment Fund and debt issued for and serviced by the Proprietary Funds.

Three Oaks Debt Service - To account for debt service costs associated with the Three Oaks Recreation Area within the Vulcan Lake TIF.

CITY OF CRYSTAL LAKE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS

December 31, 2024

	Three Oaks Debt Service
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
ASSETS	
Due from Other Funds	$ 240
Total Assets	240
DEFERRED OUTFLOWS OF RESOURCES	
None	-
Total Deferred Outflows of Resources	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 240
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	
LIABILITIES	
Accounts Payable	$ 240
Total Liabilities	240
DEFERRED INFLOWS OF RESOURCES	
None	-
Total Deferred Inflows of Resources	-
Total Liabilities and Deferred Inflows of Resources	240
FUND BALANCES	
None	-
Total Fund Balances	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 240

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS

For the Eight Months Ended December 31, 2024

	Three Oaks Debt Service
REVENUES	
Investment Income	$ -
Total Revenues	-
EXPENDITURES	
General Government	
Contractual Services	240
Debt Service	
Principal	800,835
Interest and Fiscal Charges	201,342
Total Expenditures	1,002,417
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,002,417)
OTHER FINANCING SOURCES (USES)	
Transfers In	1,002,417
Transfers (Out)	-
Total Other Financing Sources (Uses)	1,002,417
NET CHANGE IN FUND BALANCES	-
FUND BALANCES, MAY 1	-
FUND BALANCES, DECEMBER 31	$ -

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
THREE OAKS DEBT SERVICE FUND

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
None	$ -	$ -	$ -	$ -
Total Revenues	-	-	-	-
EXPENDITURES				
General Government				
Contractual Services	1,000	1,000	240	(760)
Debt Service				
Principal	800,835	800,835	800,835	-
Interest and Fiscal Charges	201,342	201,342	201,342	-
Total Expenditures	1,003,177	1,003,177	1,002,417	(760)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,003,177)	(1,003,177)	(1,002,417)	760
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	1,003,177	1,003,177	1,002,417	(760)
Total Other Financing Sources (Uses)	1,003,177	1,003,177	1,002,417	(760)
NET CHANGE IN FUND BALANCE	$ -	$ -	-	$ -
FUND BALANCE, MAY 1			-	
FUND BALANCE, DECEMBER 31			$ -	

(See independent auditor's report.)

NONMAJOR CAPITAL PROJECTS FUNDS

The Capital Projects Funds account for resources restricted, committed or assigned for the acquisition and/or construction of capital equipment and facilities by the City except those financed by the Proprietary Funds.

Main Street TIF Project Fund - To account for the initial planning and engineering design services of the Main Street TIF, including improvements to the Main Street and Crystal Lake Avenue intersection.

Virginia Street Corridor TIF Project Fund - To account for the initial planning and engineering design services of the Virginia Street Corridor TIF, intended to spur a comprehensive revitalization of this area.

Vulcan Lakes TIF Project Fund - To account for the initial planning and engineering design services of the Vulcan Lakes TIF, intended to spur a comprehensive revitalization of this area and will include residential, retail and recreational facilities.

Three Oaks Development - To account for funds from developers set aside for the future development of the Three Oaks Recreation Area.

NCLPB Project Fund - To account for the proceeds of Series 1997 General Obligation Bonds used in the construction and installation of water mains, sewer mains and roadway improvements in the North Crystal Lake Park Beach area.

Waters Edge TIF Project Fund - To account for the initial planning and engineering design services of the Waters Edge TIF.

Vehicle Replacement Fund - To account for operations related to City vehicle replacement.

CITY OF CRYSTAL LAKE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS

December 31, 2024

	Main Street TIF Construction	Virginia Street Corridor TIF	Vulcan Lakes TIF District
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
ASSETS			
Cash and Investments	$ 32,217	$ -	$ -
Receivables			
Property Taxes, Net	226,303	242,411	151,656
Other	3	-	-
Prepaid Items	-	-	-
Total Assets	258,523	242,411	151,656
DEFERRED OUTFLOWS OF RESOURCES			
None	-	-	-
Total Deferred Outflows of Resources	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 258,523	$ 242,411	$ 151,656
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	$ -	$ -	$ -
Recapture Fees Payable	-	-	-
Due to Other Funds	-	-	-
Advances Due to Other Funds	-	-	-
Total Liabilities	-	-	-
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Property Tax	226,303	242,411	151,656
Total Deferred Inflows of Resources	226,303	242,411	151,656
Total Liabilities and Deferred Inflows of Resources	226,303	242,411	151,656
FUND BALANCES			
Nonspendable			
Prepaid Items	-	-	-
Restricted			
Park Development	-	-	-
Capital Improvements	32,220	-	-
Assigned			
Capital	-	-	-
Unassigned (Deficit)	-	-	-
Total Fund Balances (Deficit)	32,220	-	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 258,523	$ 242,411	$ 151,656

Three Oaks Development	NCLPB Project Fund	Waters Edge TIF Project	Vehicle Replacement	Total
$ 2,277,407	$ 50,019	$ 15,288	$ 6,172,169	$ 8,547,100
-	-	119,251	-	739,621
210	133,448	-	-	133,661
-	-	-	1,020,495	1,020,495
2,277,617	183,467	134,539	7,192,664	10,440,877
-	-	-	-	-
-	-	-	-	-
$ 2,277,617	$ 183,467	$ 134,539	$ 7,192,664	$ 10,440,877
$ -	$ -	$ 3,128	$ 71,398	74,526
-	75,596	-	-	75,596
1,004,800	-	-	-	1,004,800
-	-	168,561	-	168,561
1,004,800	75,596	171,689	71,398	1,323,483
-	-	119,251	-	739,621
-	-	119,251	-	739,621
1,004,800	75,596	290,940	71,398	2,063,104
-	-	-	1,020,495	1,020,495
1,272,817	-	-	-	1,272,817
-	107,871	-	-	140,091
-	-	-	6,100,771	6,100,771
-	-	(156,401)	-	(156,401)
1,272,817	107,871	(156,401)	7,121,266	8,377,773
$ 2,277,617	$ 183,467	$ 134,539	$ 7,192,664	$ 10,440,877

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS

For the Eight Months Ended December 31, 2024

	Main Street TIF Project	Virginia Street Corridor TIF Project	Vulcan Lakes TIF Project
REVENUES			
Property Tax	$ 65,511	$ 203,398	$ 127,006
Investment Income	72	49	52
Miscellaneous	-	-	-
Total Revenues	65,583	203,447	127,058
EXPENDITURES			
General Government			
Contractual Services	844	844	844
Capital Outlay	-	-	-
Debt Service			
Principal	-	-	-
Interest and Fiscal Charges	-	-	-
Total Expenditures	844	844	844
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	64,739	202,603	126,214
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers (Out)	(118,091)	(202,603)	(126,214)
Lease Issuance	-	-	-
Sale of Capital Assets	-	-	-
Total Other Financing Sources (Uses)	(118,091)	(202,603)	(126,214)
NET CHANGE IN FUND BALANCES	(53,352)	-	-
FUND BALANCES (DEFICIT), MAY 1	85,572	-	-
FUND BALANCES (DEFICIT), DECEMBER 31	$ 32,220	$ -	$ -

Three Oaks Development	NCLPB Project Fund	Waters Edge TIF Project	Vehicle Replacement	Total
$ -	$ -	$ 51,189	$ -	$ 447,104
1,349	2	27	-	1,551
280,126	-	-	-	280,126
281,475	2	51,216	-	728,781
-	-	20,844	-	23,376
-	-	-	920,337	920,337
-	-	-	391,178	391,178
-	-	-	46,962	46,962
-	-	20,844	1,358,477	1,381,853
281,475	2	30,372	(1,358,477)	(653,072)
-	-	-	4,258,260	4,258,260
(1,004,800)	-	-	-	(1,451,708)
-	-	-	158,203	158,203
-	-	-	63,280	63,280
(1,004,800)	-	-	4,479,743	3,028,035
(723,325)	2	30,372	3,121,266	2,374,963
1,996,142	107,869	(186,773)	4,000,000	6,002,810
$ 1,272,817	$ 107,871	$ (156,401)	$ 7,121,266	$ 8,377,773

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MAIN STREET TIF PROJECT FUND

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	$ 50,000	$ 50,000	$ 65,511	$ 15,511
Investment Income	-	-	72	72
Total Revenues	50,000	50,000	65,583	15,583
EXPENDITURES				
General Governmental				
Contractual Services	844	844	844	-
Total Expenditures	844	844	844	-
EXCESS OF REVENUES OVER EXPENDITURES	49,156	49,156	64,739	15,583
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	(49,000)	(49,000)	(118,091)	(69,091)
Total Other Financing Sources (Uses)	(49,000)	(49,000)	(118,091)	(69,091)
NET CHANGE IN FUND BALANCE	$ 156	$ 156	(53,352)	$ (53,508)
FUND BALANCE, MAY 1			85,572	
FUND BALANCE, DECEMBER 31			$ 32,220	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
VIRGINIA STREET CORRIDOR TIF PROJECT FUND

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	$ 152,000	$ 152,000	$ 203,398	$ 51,398
Investment Income	-	-	49	49
Total Revenues	152,000	152,000	203,447	51,447
EXPENDITURES				
General Governmental				
Contractual Services	844	844	844	-
Total Expenditures	844	844	844	-
EXCESS OF REVENUES OVER EXPENDITURES	151,156	151,156	202,603	51,447
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	(151,156)	(151,156)	(202,603)	(51,447)
Total Other Financing Sources (Uses)	(151,156)	(151,156)	(202,603)	(51,447)
NET CHANGE IN FUND BALANCE	$ -	$ -	-	$ -
FUND BALANCE, MAY 1			-	
FUND BALANCE, DECEMBER 31			$ -	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
VULCAN LAKES TIF PROJECT FUND

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	$ 90,000	$ 90,000	$ 127,006	$ 37,006
Investment Income	-	-	52	52
Total Revenues	90,000	90,000	127,058	37,058
EXPENDITURES				
General Governmental				
Contractual Services	844	844	844	-
Total Expenditures	844	844	844	-
EXCESS OF REVENUES OVER EXPENDITURES	89,156	89,156	126,214	37,058
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	(89,156)	(89,156)	(126,214)	(37,058)
Total Other Financing Sources (Uses)	(89,156)	(89,156)	(126,214)	(37,058)
NET CHANGE IN FUND BALANCE	$ -	$ -	-	$ -
FUND BALANCE, MAY 1			-	
FUND BALANCE, DECEMBER 31			$ -	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
THREE OAKS DEVELOPMENT FUND

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Investment Income	$ 300	$ 300	$ 1,349	1,049
Miscellaneous	-	-	280,126	280,126
Total Revenues	300	300	281,475	281,175
EXPENDITURES				
None	-	-	-	-
Total Expenditures	-	-	-	-
EXCESS OF REVENUES OVER EXPENDITURES	300	300	281,475	281,175
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	(1,000,000)	(1,000,000)	(1,004,800)	(4,800)
Total Other Financing Sources (Uses)	(1,000,000)	(1,000,000)	(1,004,800)	(4,800)
NET CHANGE IN FUND BALANCE	$ (999,700)	$ (999,700)	(723,325)	$ 276,375
FUND BALANCE, MAY 1			1,996,142	
FUND BALANCE, DECEMBER 31			$ 1,272,817	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
WATERS EDGE TIF PROJECT FUND

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	$ 20,000	$ 20,000	$ 51,189	31,189
Investment Income	-	-	27	27
Total Revenues	20,000	20,000	51,216	31,216
EXPENDITURES				
General Governmental				
Contractual Services	15,844	15,844	20,844	5,000
Debt Service				
Principal	5,000	5,000	-	(5,000)
Total Expenditures	20,844	20,844	20,844	-
NET CHANGE IN FUND BALANCE	$ (844)	$ (844)	30,372	$ 31,216
FUND BALANCE (DEFICIT), MAY 1			(186,773)	
FUND BALANCE (DEFICIT), DECEMBER 31			$ (156,401)	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

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

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
None	$ -	$ -	$ -	$ -
Total Revenues	-	-	-	-
EXPENDITURES				
Capital Outlay	2,323,224	2,323,224	920,337	(1,402,887)
Debt Service				
Principal	384,222	384,222	391,178	6,956
Interest and Fiscal Charges	39,553	39,553	46,962	7,409
Total Expenditures	2,746,999	2,746,999	1,358,477	(1,388,522)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,746,999)	(2,746,999)	(1,358,477)	1,388,522
OTHER FINANCING SOURCES (USES)				
Transfers In	1,637,015	1,637,015	4,258,260	2,621,245
Lease Issuance	-	-	158,203	158,203
Sale of Capital Assets	-	-	63,280	63,280
Total Other Financing Sources (Uses)	1,637,015	1,637,015	4,479,743	2,842,728
NET CHANGE IN FUND BALANCE	$ (1,109,984)	$ (1,109,984)	3,121,266	$ 4,231,250
FUND BALANCE, MAY 1			4,000,000	
FUND BALANCE, DECEMBER 31			$ 7,121,266	

(See independent auditor's report.)

MAJOR ENTERPRISE FUNDS

CITY OF CRYSTAL LAKE, ILLINOIS

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

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
OPERATING REVENUES				
Charges for Sales and Services				
Water Sales	$ 4,989,561	$ 4,989,561	$ 5,190,786	$ 201,225
Sewer Sales	4,850,293	4,850,293	4,929,536	79,243
Penalties	215,000	215,000	201,484	(13,516)
Water Meter Fees	40,000	40,000	64,326	24,326
Meter Rental Fees	4,000	4,000	14,690	10,690
Water Turn On Fee	8,000	8,000	7,950	(50)
Red Tag Fee	25,000	25,000	27,731	2,731
Miscellaneous Income	55,000	55,000	135,138	80,138
Total Operating Revenues	10,186,854	10,186,854	10,571,641	384,787
OPERATING EXPENSES				
Administration	7,323,862	7,323,862	1,898,948	(5,424,914)
Water Operations	15,904,598	15,904,598	9,056,652	(6,847,946)
Sewer Operations	5,187,903	5,187,903	4,384,161	(803,742)
Total Operating Expenses	28,416,363	28,416,363	15,339,761	(13,076,602)
OPERATING INCOME (LOSS)	(18,229,509)	(18,229,509)	(4,768,120)	13,461,389
NON-OPERATING REVENUES (EXPENSES)				
IEPA Loan Proceeds	1,400,000	1,400,000	-	(1,400,000)
Principal payments	(3,071,645)	(3,071,645)	(2,922,592)	149,053
Interest Expense	(807,285)	(807,285)	(561,880)	245,405
Other Tax	1,484,268	1,484,268	1,444,854	(39,414)
Investment Income	120,000	120,000	797,866	677,866
Grants	3,643,670	3,643,670	3,108,262	(535,408)
Rental Income	59,398	59,398	118,349	58,951
Connection Fees	500,000	500,000	884,491	384,491
Total Non-Operating Revenues (Expenses)	3,328,406	3,328,406	2,869,350	(459,056)
NET INCOME (LOSS) BEFORE TRANSFERS	(14,901,103)	(14,901,103)	(1,898,770)	13,002,333
TRANSFERS IN (OUT)	4,200,000	4,200,000	1,163,284	(3,036,716)
NET INCOME (LOSS) - BUDGET BASIS	$ (10,701,103)	$ (10,701,103)	(735,486)	$ 9,965,617

(This schedule is continued on the following page.)

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
WATERWORKS AND SEWERAGE FUND

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
ADJUSTMENTS TO GAAP BASIS				
Capital Assets Capitalized - Water			$ 5,797,172	
Capital Assets Capitalized - Sewer			2,122,812	
Capital Assets Capitalized - Administrative			1,330,272	
Depreciation and Amortization			(2,866,866)	
Principal Payments			2,922,592	
Well ARO Amortization			(6,333)	
Loss on Sale of Capital Assets			(83,130)	
Pension Expense			192,924	
OPEB Expense			(27,701)	
Change in Compensated Absences			43,652	
Total Adjustments to GAAP Basis			9,425,394	
CHANGE IN NET POSITION			8,689,908	
NET POSITION, MAY 1, AS REPORTED			74,567,375	
Change in Accounting Principle			(147,229)	
NET POSITION, MAY 1, AS RESTATED			74,420,146	
NET POSITION, DECEMBER 31			$ 83,110,054	

(See independent auditor's report.)

INTERNAL SERVICE FUNDS

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - BUDGET AND ACTUAL
GROUP INSURANCE FUND

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
OPERATING REVENUES				
Charges for Services				
Employer Contributions	$ 3,528,671	$ 3,528,671	$ 3,486,829	$ (41,842)
Employee Contributions	779,172	779,172	756,511	(22,661)
Miscellaneous Income	25,200	25,200	189,097	163,897
Total Operating Revenues	4,333,043	4,333,043	4,432,437	99,394
OPERATING EXPENSES				
Administration	4,333,481	4,333,481	3,883,023	(450,458)
Total Operating Expenses	4,333,481	4,333,481	3,883,023	(450,458)
OPERATING INCOME (LOSS)	(438)	(438)	549,414	549,852
NON-OPERATING REVENUES				
Investment Income	600	600	1,159	559
Total Non-Operating Revenues	600	600	1,159	559
CHANGE IN NET POSITION	$ 162	$ 162	550,573	$ 550,411
NET POSITION, MAY 1			1,991,635	
NET POSITION, DECEMBER 31			$ 2,542,208	

(See independent auditor's report.)

FIDUCIARY FUNDS

CITY OF CRYSTAL LAKE, ILLINOIS

COMBINING STATEMENT OF NET POSITION
PENSION TRUST FUNDS

December 31, 2024

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash and Short-Term Investments	$ 497,522	$ 366,674	$ 864,196
Investments, at Fair Value			
Investments Held in the Illinois Police Officers' Pension Investment Fund	58,809,512	-	58,809,512
Investments Held in the Illinois Firefighters' Pension Investment Fund	-	61,811,994	61,811,994
Prepaid Expenses	4,626	2,820	7,446
Total Assets	59,311,660	62,181,488	121,493,148
LIABILITIES			
Accounts Payable	1,533	2,910	4,443
Due to City	12,068	7,635	19,703
Total Liabilities	13,601	10,545	24,146
NET POSITION RESTRICTED FOR PENSION BENEFITS	$ 59,298,059	$ 62,170,943	$ 121,469,002

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

COMBINING STATEMENT OF CHANGES IN PLAN NET POSITION
PENSION TRUST FUNDS

For the Eight Months Ended December 31, 2024

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	$ 3,612,536	$ 2,285,640	$ 5,898,176
Employee	483,837	431,851	915,688
Total Contributions	4,096,373	2,717,491	6,813,864
Investment Income			
Net Appreciation in Fair Value of Investments	4,141,214	4,288,870	8,430,084
Interest	243,450	830,076	1,073,526
Total Investment Income	4,384,664	5,118,946	9,503,610
Less Investment Expense	(44,563)	(64,117)	(108,680)
Net Investment Income	4,340,101	5,054,829	9,394,930
Total Additions	8,436,474	7,772,320	16,208,794
DEDUCTIONS			
Pension Benefits and Refunds	3,044,050	1,888,894	4,932,944
Administrative Expenses	10,334	50,891	61,225
Total Deductions	3,054,384	1,939,785	4,994,169
NET INCREASE	5,382,090	5,832,535	11,214,625
NET POSITION RESTRICTED FOR PENSION BENEFITS			
May 1	53,915,969	56,338,408	110,254,377
December 31	$ 59,298,059	$ 62,170,943	$ 121,469,002

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

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

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
ADDITIONS				
Contributions				
Employer	$ 3,612,536	$ 3,612,536	$ 3,612,536	$ -
Employee	512,217	512,217	483,837	(28,380)
Total Contributions	4,124,753	4,124,753	4,096,373	(28,380)
Investment Income				
Net Appreciation in Fair Value of Investments	-	-	4,141,214	4,141,214
Interest	1,100,000	1,100,000	243,450	(856,550)
Total Investment Income	1,100,000	1,100,000	4,384,664	3,284,664
Less Investment Expense	(49,670)	(49,670)	(44,563)	5,107
Net Investment Income	1,050,330	1,050,330	4,340,101	3,289,771
Total Additions	5,175,083	5,175,083	8,436,474	3,261,391
DEDUCTIONS				
Pension Benefits and Refunds	3,030,864	3,030,864	3,044,050	13,186
Administrative Expenses	27,750	27,750	10,334	(17,416)
Total Deductions	3,058,614	3,058,614	3,054,384	(4,230)
NET INCREASE	$ 2,116,469	$ 2,116,469	5,382,090	$ 3,265,621
NET POSITION RESTRICTED FOR PENSION BENEFITS				
May 1			53,915,969	
December 31			$ 59,298,059	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

SCHEDULE OF CHANGES IN PLAN NET POSITION -
BUDGET AND ACTUAL
FIREFIGHTERS' PENSION FUND

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
ADDITIONS				
Contributions				
Employer	$ 2,285,640	$ 2,285,640	$ 2,285,640	$ -
Employee	482,950	482,950	431,851	(51,099)
Total Contributions	2,768,590	2,768,590	2,717,491	(51,099)
Investment Income				
Net Appreciation in Fair Value of Investments	-	-	4,288,870	4,288,870
Interest	1,100,000	1,100,000	830,076	(269,924)
Total Investment Income	1,100,000	1,100,000	5,118,946	4,018,946
Less Investment Expense	(61,500)	(61,500)	(64,117)	(2,617)
Net Investment Income	1,038,500	1,038,500	5,054,829	4,016,329
Total Additions	3,807,090	3,807,090	7,772,320	3,965,230
DEDUCTIONS				
Pension Benefits and Refunds	1,889,115	1,889,115	1,888,894	(221)
Administrative Expenses	28,000	28,000	50,891	22,891
Total Deductions	1,917,115	1,917,115	1,939,785	22,670
NET INCREASE	$ 1,889,975	$ 1,889,975	5,832,535	$ 3,942,560
NET POSITION RESTRICTED FOR PENSION BENEFITS				
May 1			56,338,408	
December 31			$ 62,170,943	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

COMBINING STATEMENT OF NET POSITION
CUSTODIAL FUNDS

December 31, 2024

	SSA 44 Tracy Trail	SSA 45 Bryn Mawr	SSA 46 Ryland	Total
ASSETS				
Cash and Investments	$ 15,283	$ 446,070	$ 193,324	$ 654,677
Accounts Receivable	-	-	18	18
Total Assets	15,283	446,070	193,342	654,695
LIABILITIES				
None	-	-	-	-
Total Liabilities	-	-	-	-
NET POSITION RESTRICTED FOR DEBT SERVICE	$ 15,283	$ 446,070	$ 193,342	$ 654,695

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

COMBINING STATEMENT OF CHANGES IN PLAN NET POSITION
CUSTODIAL FUNDS

For the Eight Months Ended December 31, 2024

	SSA 44 Tracy Trail	SSA 45 Bryn Mawr	SSA 46 Ryland	Total
ADDITIONS				
Contributions				
Property Owner	$ -	$ -	$ 179,758	$ 179,758
Total Contributions	-	-	179,758	179,758
Investment Income	8	14,265	153	14,426
Total Additions	8	14,265	179,911	194,184
DEDUCTIONS				
Debt Service				
Interest and Fiscal Charges	-	-	39,879	39,879
Total Deductions	-	-	39,879	39,879
CHANGE IN NET POSITION	8	14,265	140,032	154,305
NET POSITION RESTRICTED FOR DEBT SERVICE				
May 1	15,275	431,805	53,310	500,390
December 31	$ 15,283	$ 446,070	$ 193,342	$ 654,695

(See independent auditor's report.)

DISCRETELY PRESENTED COMPONENT UNIT

The component unit column in the basic financial statements includes the financial data of the City's component unit. It is reported in a separate column to emphasize that it is legally separate from the City.

Crystal Lake Public Library:

> The Library operates and maintains the City's public library facilities. The Library's board is appointed by the Mayor with the consent of the City Council. The Library may not issue bonded debt, and its annual budget and property tax levy requests are subject to the City Council's approval. Separate financial statements for the Library are not available.

CITY OF CRYSTAL LAKE, ILLINOIS

DISCRETELY PRESENTED COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY
STATEMENT OF NET POSITION AND BALANCE SHEET

December 31, 2024

	General Operating Fund	Special Reserve	Nonmajor Governmental	Adjustments	Statement of Net Position
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
ASSETS					
Cash and Investments	$ 4,488,689	$ 1,423,829	$ 1,507,135	$ -	$ 7,419,653
Receivables					
Property Taxes, Net	4,763,682	-	429,673	-	5,193,355
Accounts	7,082	-	-	-	7,082
Accrued interest	30,027	-	16,307	-	46,334
Prepaid Items	47,989	-	-	-	47,989
Due from Primary Government	-	-	62,695	-	62,695
Capital Assets					
Nondepreciable	-	-	-	2,472,561	2,472,561
Depreciable, Net of Accumulated Depreciation	-	-	-	4,968,252	4,968,252
Total Assets	9,337,469	1,423,829	2,015,810	7,440,813	20,217,921
DEFERRED OUTFLOWS OF RESOURCES					
Pension Items - IMRF	-	-	-	1,340,229	1,340,229
Pension Items - OPEB	-	-	-	56,040	56,040
Total Deferred Outflows of Resources	-	-	-	1,396,269	1,396,269
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 9,337,469	$ 1,423,829	$ 2,015,810	$ 8,837,082	$ 21,614,190

(This schedule is continued on the following page.)

CITY OF CRYSTAL LAKE, ILLINOIS

DISCRETELY PRESENTED COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY
STATEMENT OF NET POSITION AND BALANCE SHEET (Continued)

December 31, 2024

	General Operating Fund	Special Reserve	Nonmajor Governmental	Adjustments	Statement of Net Position
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	$ 119,461	$ -	$ 123	$ -	$ 119,584
Accrued Payroll	122,890	-	21,810	-	144,700
Accrued Taxes	-	-	57,359	-	57,359
Deposits	-	-	14,443	-	14,443
Noncurrent Liabilities					
Due Within One Year	-	-	-	187,454	187,454
Due in More than One Year	-	-	-	2,182,479	2,182,479
Total Liabilities	242,351	-	93,735	2,369,933	2,706,019
DEFERRED INFLOWS OF RESOURCES					
Deferred Revenue - Property Tax	4,763,682	-	429,673	-	5,193,355
Pension Items - IMRF	-	-	-	4,163	4,163
Pension Items - OPEB	-	-	-	22,843	22,843
Total Deferred Inflows of Resources	4,763,682	-	429,673	27,006	5,220,361
Total Liabilities and Deferred Inflows of Resources	5,006,033	-	523,408	2,396,939	7,926,380
FUND BALANCES					
Net Investment in Capital Assets	-	-	-	7,440,813	7,440,813
Nonspendable					
Prepaid Items	47,989	-	-	(47,989)	-
Restricted					
Retirement	-	-	664,413	-	664,413
Library	-	1,423,829	430,810	-	1,854,639
Unrestricted					
Assigned	-	-	397,179	(397,179)	-
Unassigned (Deficit)	4,283,447	-	-	(555,502)	3,727,945
Total Fund Balances	4,331,436	1,423,829	1,492,402	6,440,143	13,687,810
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 9,337,469	$ 1,423,829	$ 2,015,810	$ 8,837,082	$ 21,614,190

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

DISCRETELY PRESENTED COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY
STATEMENT OF ACTIVITIES AND STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES

For the Eight Months Ended December 31, 2024

	General Operating Fund	*(Formerly Nonmajor)* Special Reserve	Nonmajor Governmental	Adjustments	Statement of Activities
REVENUES					
Property Tax	$ 4,564,902	$ -	$ 499,165	$ -	$ 5,064,067
Intergovernmental	62,299	-	-	-	62,299
Fines and Forfeitures	67,187	-	-	-	67,187
Investment Income	162,694	24,492	48,085	-	235,271
Rental Income	-	-	89,593	-	89,593
Donations	-	-	9,815	-	9,815
Miscellaneous	5,746	-	62,944	-	68,690
Total Revenues	4,862,828	24,492	709,602	-	5,596,922
EXPENDITURES					
Current					
Culture and Recreation	2,774,700	88,754	375,021	(127,247)	3,111,228
Capital Outlay	-	-	3,315	(3,315)	-
Total Expenditures	2,774,700	88,754	378,336	(130,562)	3,111,228
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,088,128	(64,262)	331,266	130,562	2,485,694
OTHER FINANCING SOURCES (USES)					
Transfers In	-	970,922	-	-	970,922
Transfers (Out)	(787,274)	-	(183,648)	-	(970,922)
Total Other Financing Sources (Uses)	(787,274)	970,922	(183,648)	-	-
NET CHANGE IN FUND BALANCES	1,300,854	906,660	147,618	130,562	2,485,694
FUND BALANCES, MAY 1, AS REPORTED	3,030,582	-	1,861,953	6,578,443	11,470,978
Change with in Financial Reporting Entity	-	517,169	(517,169)	-	-
Change in Accounting Principle	-	-	-	(268,862)	(268,862)
FUND BALANCES, MAY 1, AS RESTATED	3,030,582	517,169	1,344,784	6,309,581	11,202,116
FUND BALANCES, DECEMBER 31	$ 4,331,436	$ 1,423,829	$ 1,492,402	$ 6,440,143	$ 13,687,810

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

DISCRETELY PRESENTED COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL OPERATING FUND

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	$ 4,448,456	$ 4,448,456	$ 4,564,902	$ 116,446
Intergovernmental	118,794	118,794	62,299	(56,495)
Fines and Forfeitures	88,500	88,500	67,187	(21,313)
Investment Income	55,000	55,000	162,694	107,694
Miscellaneous	15,050	15,050	5,746	(9,304)
Total Revenues	4,725,800	4,725,800	4,862,828	137,028
EXPENDITURES				
Current				
Culture and Recreation				
Personnel Services	3,617,298	3,617,298	2,078,331	(1,538,967)
Contracted Services	1,195,052	1,195,052	298,779	(896,273)
Materials and Supplies	658,100	658,100	397,590	(260,510)
Capital Outlay	139,794	139,794	-	(139,794)
Total Expenditures	5,610,244	5,610,244	2,774,700	(2,835,544)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(884,444)	(884,444)	2,088,128	2,972,572
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	-	-	(787,274)	(787,274)
Total Other Financing Sources (Uses)	-	-	(787,274)	(787,274)
NET CHANGE IN FUND BALANCE	$ (884,444)	$ (884,444)	1,300,854	$ 2,185,298
FUND BALANCE, MAY 1			3,030,582	
FUND BALANCE, DECEMBER 31			$ 4,331,436	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

DISCRETELY PRESENTED COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL RESERVE FUND

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Investment Income	$ -	$ -	$ 24,492	$ 24,492
Total Revenues	-	-	24,492	24,492
EXPENDITURES				
Current				
Culture and Recreation				
Contracted Services	262,000	262,000	88,754	(173,246)
Total Expenditures	262,000	262,000	88,754	(173,246)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(262,000)	(262,000)	(64,262)	197,738
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	970,922	970,922
Total Other Financing Sources (Uses)	-	-	970,922	970,922
NET CHANGE IN FUND BALANCE	$ (262,000)	$ (262,000)	906,660	$ 1,168,660
FUND BALANCE, MAY 1			517,169	
FUND BALANCE, DECEMBER 31			$ 1,423,829	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

DISCRETELY PRESENTED COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY
COMBINING BALANCE SHEET
NONMAJOR LIBRARY FUNDS

December 31, 2024

	Special Revenue Funds		
	Gift and Memorial	Ames	IMRF
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
ASSETS			
Cash and Investments	$ 20,614	$ 394,012	$ 461,917
Receivables			
Property Taxes, Net	-	-	198,012
Accrued Interest	-	16,307	-
Due from Primary Government	-	-	-
Total Assets	20,614	410,319	659,929
DEFERRED OUTFLOWS OF RESOURCES			
None	-	-	-
Total Deferred Outflows of Resources	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 20,614	$ 410,319	$ 659,929
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	$ 34	$ 89	$ -
Accrued Payroll	-	-	12,667
Accrued Taxes	-	-	-
Deposits	-	-	-
Total Liabilities	34	89	12,667
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Property Tax	-	-	198,012
Total Deferred Inflows of Resources	-	-	198,012
Total Liabilities and Deferred Inflows of Resources	34	89	210,679
FUND BALANCES			
Restricted			
Retirement	-	-	449,250
Library	20,580	410,230	-
Assigned	-	-	-
Total Fund Balances	20,580	410,230	449,250
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 20,614	$ 410,319	$ 659,929

Special Revenue Funds	Capital Project Fund	Permanent Fund	
FICA	Public Library Construction and Repair	Working Cash	Total
$ 224,306	$ 406,286	$ -	$ 1,507,135
231,661	-	-	429,673
-	-	-	16,307
-	62,695	-	62,695
455,967	468,981	-	2,015,810
-	-	-	-
-	-	-	-
$ 455,967	$ 468,981	$ -	$ 2,015,810
$ -	$ -	$ -	$ 123
9,143	-	-	21,810
-	57,359	-	57,359
-	14,443	-	14,443
9,143	71,802	-	93,735
231,661	-	-	429,673
231,661	-	-	429,673
240,804	71,802	-	523,408
215,163	-	-	664,413
-	-	-	430,810
-	397,179	-	397,179
215,163	397,179	-	1,492,402
$ 455,967	$ 468,981	$ -	$ 2,015,810

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

DISCRETELY PRESENTED COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
NONMAJOR LIBRARY FUNDS

For the Eight Months Ended December 31, 2024

	Special Revenue Funds		
	Gift and Memorial	**Ames**	**IMRF**
REVENUES			
Property Tax	$ -	$ -	$ 275,440
Investment Income	574	16,950	12,570
Rental Income	-	-	-
Donations	9,815	-	-
Miscellaneous	-	-	-
Total Revenues	10,389	16,950	288,010
EXPENDITURES			
Current			
Culture and Recreation			
Personnel	-	-	165,644
Contractual	332	-	-
Materials and Supplies	2,014	1,667	-
Capital Outlay	3,315	-	-
Total Expenditures	5,661	1,667	165,644
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	4,728	15,283	122,366
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers (Out)	-	-	-
Total Other Financing Sources (Uses)	-	-	-
NET CHANGE IN FUND BALANCES	4,728	15,283	122,366
FUND BALANCES, MAY 1, AS REPORTED	15,852	394,947	326,884
Change with in Financial Reporting Entity	-	-	-
FUND BALANCES, MAY 1, AS RESTATED	15,852	394,947	326,884
FUND BALANCES, DECEMBER 31	$ 20,580	$ 410,230	$ 449,250

Special Revenue Funds		Capital Project Fund	Permanent Fund	
FICA	*(Formerly Nonmajor)* Special Reserve	Public Library Construction and Repair	Working Cash	Total
$ 223,725	$ -	$ -	$ -	$ 499,165
6,274	-	10,216	1,501	48,085
-	-	89,593	-	89,593
-	-	-	-	9,815
-	-	62,944	-	62,944
229,999	-	162,753	1,501	709,602
134,345	-	-	-	299,989
-	-	71,019	-	71,351
-	-	-	-	3,681
-	-	-	-	3,315
134,345	-	71,019	-	378,336
95,654	-	91,734	1,501	331,266
-	-	-	-	-
-	-	(127,907)	(55,741)	(183,648)
-	-	(127,907)	(55,741)	(183,648)
95,654	-	(36,173)	(54,240)	147,618
119,509	517,169	433,352	54,240	1,861,953
-	(517,169)	-	-	(517,169)
119,509	-	433,352	54,240	1,344,784
$ 215,163	$ -	$ 397,179	$ -	$ 1,492,402

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

DISCRETELY PRESENTED COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GIFT AND MEMORIAL FUND

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Donations	$ 46,845	$ 46,845	$ 9,815	$ (37,030)
Investment Income	-	-	574	574
Total Revenues	46,845	46,845	10,389	(36,456)
EXPENDITURES				
Current				
Culture and Recreation				
Contractual	14,345	14,345	332	(14,013)
Supplies and Materials	15,500	15,500	2,014	(13,486)
Capital Outlay	40,000	40,000	3,315	(36,685)
Total Expenditures	69,845	69,845	5,661	(64,184)
NET CHANGE IN FUND BALANCE	$ (23,000)	$ (23,000)	4,728	$ 27,728
FUND BALANCE, MAY 1			15,852	
FUND BALANCE, DECEMBER 31			$ 20,580	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

DISCRETELY PRESENTED COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
AMES FUND

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Investment Income	$ -	$ -	$ 16,950	$ 16,950
Total Revenues	-	-	16,950	16,950
EXPENDITURES				
Current				
Culture and Recreation				
Materials and Supplies	15,000	15,000	1,667	13,333
Total Expenditures	15,000	15,000	1,667	13,333
NET CHANGE IN FUND BALANCE	$ (15,000)	$ (15,000)	15,283	$ 3,617
FUND BALANCE, MAY 1			394,947	
FUND BALANCE, APRIL 30			$ 410,230	

CITY OF CRYSTAL LAKE, ILLINOIS

DISCRETELY PRESENTED COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
IMRF FUND

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	$ 305,725	$ 305,725	$ 275,440	$ (30,285)
Investment Income	-	-	12,570	12,570
Total Revenues	305,725	305,725	288,010	(17,715)
EXPENDITURES				
Culture and Recreation				
Personnel Services	305,725	305,725	165,644	(140,081)
Total Expenditures	305,725	305,725	165,644	(140,081)
NET CHANGE IN FUND BALANCE	$ -	$ -	122,366	$ 122,366
FUND BALANCE, MAY 1			326,884	
FUND BALANCE, DECEMBER 31			$ 449,250	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

DISCRETELY PRESENTED COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FICA FUND

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	$ 232,715	$ 232,715	$ 223,725	$ (8,990)
Investment Income	-	-	6,274	6,274
Total Revenues	232,715	232,715	229,999	(2,716)
EXPENDITURES				
Culture and Recreation				
Personnel Services	232,715	232,715	134,345	(98,370)
Total Expenditures	232,715	232,715	134,345	(98,370)
NET CHANGE IN FUND BALANCE	$ -	$ -	95,654	$ 95,654
FUND BALANCE, MAY 1			119,509	
FUND BALANCE, DECEMBER 31			$ 215,163	

(See independent auditor's report.)

CITY OF CRYSTAL LAKE, ILLINOIS

DISCRETELY PRESENTED COMPONENT UNIT - CRYSTAL LAKE PUBLIC LIBRARY
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PUBLIC LIBRARY CONSTRUCTION AND REPAIR FUND

For the Eight Months Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Investment Income	$ -	$ -	$ 10,216	$ 10,216
Rental Income	144,645	144,645	89,593	(55,052)
Miscellaneous	-	-	62,944	62,944
Total Revenues	144,645	144,645	162,753	18,108
EXPENDITURES				
Current				
Culture and Recreation				
Contractual Services	144,645	144,645	71,019	(73,626)
Total Expenditures	144,645	144,645	71,019	(73,626)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	91,734	91,734
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	-	-	(127,907)	(127,907)
Total Other Financing Sources (Uses)	-	-	(127,907)	(127,907)
NET CHANGE IN FUND BALANCE	$ -	$ -	(36,173)	$ (36,173)
FUND BALANCE, MAY 1			433,352	
FUND BALANCE, DECEMBER 31			$ 397,179	

(See independent auditor's report.)

STATISTICAL SECTION

This part of the City of Crystal Lake, Illinois' 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 displays about the City's overall financial health.

Contents	Page(s)
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have been changed over time.	155-164
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	165-168
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	169-172
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	173-174
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	175-177

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

CITY OF CRYSTAL LAKE, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2016*	2017	2018	2019
GOVERNMENTAL ACTIVITIES				
Net Investment in Capital Assets	$ 173,957,143	$ 176,078,381	$ 175,911,065	$ 173,931,309
Restricted	7,095,286	7,369,493	8,417,145	8,500,749
Unrestricted (Deficit)	(15,551,944)	(20,991,234)	(27,233,715)	(26,053,960)
TOTAL GOVERNMENTAL ACTIVITIES	$ 165,500,485	$ 162,456,640	$ 157,094,495	$ 156,378,098
BUSINESS-TYPE ACTIVITIES				
Net Investment in Capital Assets	$ 44,805,894	$ 44,551,283	$ 44,397,118	$ 44,395,007
Unrestricted	5,786,960	6,510,946	7,018,743	8,979,964
TOTAL BUSINESS-TYPE ACTIVITIES	$ 50,592,854	$ 51,062,229	$ 51,415,861	$ 53,374,971
PRIMARY GOVERNMENT				
Net Investment in Capital Assets	$ 218,763,037	$ 220,629,664	$ 220,308,183	$ 218,326,316
Restricted	7,095,286	7,369,493	8,417,145	8,500,749
Unrestricted (Deficit)	(9,764,984)	(14,480,288)	(20,214,972)	(17,073,996)
TOTAL PRIMARY GOVERNMENT	$ 216,093,339	$ 213,518,869	$ 208,510,356	$ 209,753,069

*The City implemented GASB Statement No. 68 in 2016.

**The City changed its fiscal year from April 30 to December 31 effective December 31, 2024.

Data Source

Audited Financial Statements

2020	2021	2022	2023	2024	2024**
$ 174,038,413	$ 177,510,754	$ 175,285,923	$ 176,875,488	$ 181,837,388	$ 188,351,947
9,379,343	12,269,407	12,059,384	11,849,081	10,649,313	7,954,824
(31,443,463)	(25,836,721)	(12,047,193)	(3,745,443)	2,281,808	13,543,481
$ 151,974,293	$ 163,943,440	$ 175,298,114	$ 184,979,126	$ 194,768,509	$ 209,850,252
$ 49,163,769	$ 52,160,171	$ 54,063,611	$ 54,686,616	$ 55,271,549	$ 62,311,102
8,040,946	8,306,998	10,756,654	12,460,252	19,295,826	20,798,952
$ 57,204,715	$ 60,467,169	$ 64,820,265	$ 67,146,868	$ 74,567,375	$ 83,110,054
$ 223,202,182	$ 229,670,925	$ 229,349,534	$ 231,562,104	$ 237,108,937	$ 250,663,049
9,379,343	12,269,407	12,059,384	11,849,081	10,649,313	7,954,824
(23,402,517)	(17,529,723)	(1,290,539)	8,714,809	21,577,634	34,342,433
$ 209,179,008	$ 224,410,609	$ 240,118,379	$ 252,125,994	$ 269,335,884	$ 292,960,306

CITY OF CRYSTAL LAKE, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2016*	2017	2018	2019
EXPENSES				
Governmental Activities				
General Government	$ 9,453,754	$ 9,186,944	$ 9,480,281	$ 8,975,593
Public Safety	25,243,996	28,675,754	28,257,439	28,418,257
Highways and Streets	11,137,715	8,803,178	9,075,738	10,526,101
Culture and Recreation	1,158,493	1,202,081	1,240,815	1,316,230
Interest	472,785	434,677	395,280	357,479
Total Governmental Activities Expenses	44,204,995	47,466,743	48,302,634	48,449,553
BUSINESS-TYPE ACTIVITIES				
Waterworks and Sewerage	11,161,179	10,911,625	11,871,081	12,508,300
Total Business-Type Activities Expenses	11,161,179	10,911,625	11,871,081	12,508,300
TOTAL PRIMARY GOVERNMENT EXPENSES	$ 58,627,922	$ 59,214,259	$ 60,320,634	$ 62,101,960
PROGRAM REVENUES				
Governmental Activities				
Charges for Services				
General Government	$ 1,015,508	$ 1,151,113	$ 1,278,712	$ 1,769,715
Public Safety	3,907,398	4,548,947	4,675,869	4,759,684
Highways and Streets	240,659	216,074	227,659	207,974
Culture and Recreation	494,003	626,341	652,572	637,618
Operating Grants and Contributions				
General Government	-	-	-	-
Public Safety	275,424	240,876	169,325	318,273
Highways and Streets	3,371,612	1,064,996	1,072,190	1,076,674
Capital Grants and Contributions				
Public Safety	-	-	-	-
Highways and Streets	2,627,832	305,691	1,023,140	488,055
Culture and Recreation	2,076	23,132	4,370	4,638
Total Governmental Activities Program Revenues	11,934,512	8,177,170	9,103,837	9,262,631
Business-Type Activities				
Charges for Services				
Waterworks and Sewerage	10,048,556	11,182,267	11,967,058	13,953,200
Operating Grants and Contributions	-	-	3,500	-
Capital Grants and Contributions	849,507	113,616	-	-
Total Business-Type Activities Program Revenues	10,898,063	11,295,883	11,970,558	13,953,200
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	$ 22,832,575	$ 19,473,053	$ 21,074,395	$ 23,215,831

2020	2021	2022	2023	2024	2024**
$ 10,132,372	$ 8,086,815	$ 7,181,840	$ 9,204,627	$ 8,868,981	$ 6,607,702
30,628,583	26,072,431	26,893,048	30,424,252	30,928,000	21,450,742
10,577,802	9,917,045	9,192,114	11,473,336	11,648,259	8,415,627
1,295,958	1,059,755	1,289,476	1,558,416	1,745,214	1,556,194
295,700	134,854	296,979	250,474	202,288	105,744
49,593,660	52,930,415	45,270,900	44,853,457	52,911,105	38,136,009
13,345,604	13,923,480	13,221,966	15,048,735	14,538,180	9,398,839
13,345,604	13,923,480	13,221,966	15,048,735	14,538,180	9,398,839
$ 66,276,019	$ 59,194,380	$ 58,075,423	$ 67,959,840	$ 67,930,922	$ 47,534,848
$ 1,221,025	$ 1,300,137	$ 1,186,320	$ 1,268,491	$ 1,715,823	$ 530,052
4,815,622	4,819,013	5,731,210	5,968,139	5,753,213	6,735,183
440,929	217,594	234,576	251,923	269,142	603,843
399,884	278,033	530,037	545,769	623,701	565,835
-	-	-	-	-	21,800
28,361	2,351,705	172,244	67,724	136,057	57,594
2,008,677	2,929,526	2,574,252	2,170,297	1,797,521	1,236,094
-	-	-	595,105	57,734	-
120,168	1,880	-	1,687,500	-	-
758,751	2,053,878	199,629	318,683	608,083	-
9,793,417	13,951,766	10,628,268	12,873,631	10,961,274	9,750,401
14,279,570	15,285,114	15,323,203	15,397,219	16,775,808	11,439,343
-	-	-	-	-	-
69,920	609,019	1,165,579	109,003	-	-
14,349,490	15,894,133	16,488,782	15,506,222	16,775,808	11,439,343
$ 24,142,907	$ 29,845,899	$ 27,117,050	$ 28,379,853	$ 27,737,082	$ 21,189,744

CITY OF CRYSTAL LAKE, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2016*	2017	2018	2019
NET (EXPENSE) REVENUE				
Governmental Activities	$ (35,532,231)	$ (40,125,464)	$ (39,345,716)	$ (40,331,029)
Business-Type Activities	(263,116)	384,258	99,477	1,444,900
TOTAL PRIMARY GOVERNMENT NET (EXPENSE) REVENUE	$ (35,795,347)	$ (39,741,206)	$ (39,246,239)	$ (38,886,129)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental Activities				
Taxes				
Property	$ 13,424,456	$ 12,368,764	$ 12,499,058	$ 12,985,292
Home Rule	5,040,729	5,078,986	5,159,592	5,403,739
Auto Rental	42,515	43,751	40,230	43,839
Franchise Fees - Cable	790,182	615,070	728,314	670,865
Telecommunications	1,276,159	1,155,832	1,076,925	988,663
Hotel/Other	301,467	357,772	408,156	393,659
Intergovernmental				
Replacement	133,431	160,573	147,318	140,488
State Sales and Use	12,103,709	12,310,138	12,595,524	13,321,347
Income	4,167,471	3,841,569	3,707,369	4,215,078
Investment Income	470,909	484,987	334,737	1,036,053
Miscellaneous	1,170,199	664,177	920,423	498,526
Release of Commitment of SSA Debt	-	-	-	-
Transfers	-	-	-	(82,917)
Total Governmental Activities	38,921,227	37,081,619	37,617,646	39,614,632
Business-Type Activities				
Investment Income	79,071	(12,899)	(3,132)	283,436
Miscellaneous	209,444	98,016	257,285	147,859
Other Tax	-	-	-	-
Grants	-	-	-	-
Connection Charges	-	-	-	-
Rental Income	-	-	-	-
Transfers	-	-	-	82,917
Total Business-Type Activities	288,515	85,117	254,153	514,212
TOTAL PRIMARY GOVERNMENT	$ 39,209,742	$ 37,166,736	$ 37,871,799	$ 40,128,844
CHANGE IN NET POSITION				
Governmental Activities	$ 3,388,996	$ (3,043,845)	$ (1,728,070)	$ (716,397)
Business-Type Activities	25,399	469,375	353,630	1,959,112
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	$ 3,414,395	$ (2,574,470)	$ (1,374,440)	$ 1,242,715

*The City implemented GASB Statement No. 68 in 2016.

**The City changed its fiscal year from April 30 to December 31 effective December 31, 2024.

Data Source

Audited Financial Statements

2020	2021	2022	2023	2024	2024**
$ (43,136,998)	$ (31,319,134)	$ (34,225,189)	$ (40,037,474)	$ (42,431,468)	$ (28,385,608)
1,003,886	1,970,653	3,266,816	457,487	2,237,628	2,040,504
$ (42,133,112)	$ (29,348,481)	$ (30,958,373)	$ (39,579,987)	$ (40,193,840)	$ (26,345,104)
$ 13,034,033	$ 13,698,616	$ 13,693,963	$ 14,543,492	$ 15,248,645	$ 15,750,945
5,296,696	5,523,531	6,652,098	6,826,463	7,179,057	7,614,329
42,370	39,076	59,236	60,825	58,694	46,878
700,274	620,139	643,023	604,830	543,973	304,973
829,847	664,080	589,605	557,117	528,630	353,276
1,478,225	2,062,893	2,374,264	2,344,342	979,355	827,413
153,893	166,446	383,730	526,372	376,351	178,412
13,315,600	14,035,251	15,405,431	15,819,262	16,687,890	12,009,139
4,008,499	4,670,667	5,835,642	6,506,600	6,592,621	4,569,869
1,317,219	375,853	(1,716,158)	329,908	1,924,376	1,984,179
2,295,775	1,999,312	1,946,219	1,716,455	2,199,979	1,751,171
-	-	-	-	-	-
-	-	(287,190)	-	(98,720)	(1,163,284)
42,472,431	43,855,864	45,579,863	49,835,666	52,220,851	44,227,300
578,038	154,482	(366,107)	246,960	936,253	797,866
297,458	137,319	165,199	638,101	224,268	135,138
1,000,000	1,000,000	999,998	1,000,000	2,596,683	1,444,854
-	-	-	-	1,326,955	3,108,262
-	-	-	-	-	-
-	-	-	-	-	-
-	-	287,190	-	98,720	1,163,284
1,875,496	1,291,801	1,086,280	1,885,061	5,182,879	6,649,404
$ 44,347,927	$ 45,147,665	$ 46,666,143	$ 51,720,727	$ 57,403,730	$ 50,876,704
$ (664,567)	$ 12,536,730	$ 11,354,674	$ 9,798,192	$ 9,789,383	$ 15,841,692
2,879,382	3,262,454	4,353,096	2,342,548	7,420,507	8,689,908
$ 2,214,815	$ 15,799,184	$ 15,707,770	$ 12,140,740	$ 17,209,890	$ 24,531,600

CITY OF CRYSTAL LAKE, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2016	2017	2018	2019
GENERAL FUND				
Nonspendable	$ 1,807,119	$ 2,295,685	$ 2,455,422	$ 2,513,094
Committed	3,128	3,128	3,796	37,611
Unrestricted				
Assigned	1,082,174	2,584,111	1,848,473	2,620,028
Unassigned	10,224,095	9,616,898	11,533,098	14,172,882
TOTAL GENERAL FUND	$ 13,116,516	$ 14,499,822	$ 15,840,789	$ 19,343,615
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable	$ 7,860	$ 4,923	$ 46,355	$ 47,313
Restricted	7,781,945	7,910,749	8,883,168	9,060,963
Committed	-	-	-	253,534
Unrestricted				
Assigned	9,645,831	7,044,977	6,069,668	5,871,826
Unassigned (Deficit)	-	-	-	-
TOTAL ALL OTHER GOVERNMENTAL FUNDS	$ 17,435,636	$ 14,960,649	$ 14,999,191	$ 15,233,636

*The City changed its fiscal year from April 30 to December 31 effective December 31, 2024.

Data Source

Audited Financial Statements

2020	2021	2022	2023	2024	2024*
$ 3,146,413	$ 3,282,256	$ 4,210,068	$ 4,521,627	$ 5,314,416	$ 5,391,107
122,612	338,750	424,350	583,848	865,295	1,013,375
3,632,706	4,687,516	347,797	368,929	2,108,555	2,174,184
15,479,489	13,447,755	14,768,666	15,422,765	15,399,501	13,526,219
$ 22,381,220	$ 21,756,277	$ 19,750,881	$ 20,897,169	$ 23,687,767	$ 22,104,885
$ 7,868	$ 219,758	$ 304,461	$ 383,467	$ 432,596	$ 1,075,851
9,379,343	12,269,407	12,059,384	11,849,081	10,649,313	7,954,824
332,702	543,117	632,363	798,362	1,082,161	1,236,584
6,649,886	9,763,042	21,769,082	26,190,667	27,484,691	38,735,137
-	(23,919)	(95,214)	(181,191)	(186,773)	(156,401)
$ 16,369,799	$ 22,771,405	$ 34,670,076	$ 39,040,386	$ 39,461,988	$ 48,845,995

CITY OF CYRSTAL LAKE, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2016	2017	2018	2019
REVENUES				
Charges for Services	$ 4,561,965	$ 5,259,621	$ 5,264,409	$ 5,567,308
Licenses and Permits	546,408	626,878	659,908	887,689
Intergovernmental	22,510,761	17,740,346	18,841,214	18,972,402
Fines and Forfeitures	715,857	687,186	520,692	465,779
Property Taxes	13,424,456	12,368,764	12,499,057	12,985,292
Other Taxes	7,451,052	7,251,411	7,317,786	7,500,765
Developer Donations	-	-	-	-
Investment Income	470,909	484,987	334,734	1,036,053
Miscellaneous	1,232,711	943,772	1,350,750	1,611,094
Total Revenues	50,914,119	45,362,965	46,788,550	49,026,382
EXPENDITURES				
General Government	8,013,493	8,176,893	8,312,721	8,212,507
Public Health and Safety	23,852,909	23,956,258	24,143,224	25,231,400
Public Works	7,333,376	7,122,954	5,426,131	5,761,105
Culture and Recreation	618,351	736,944	723,546	743,393
Debt Service				
Principal	1,383,967	1,426,983	1,447,120	1,496,632
Interest	589,605	475,339	479,218	411,984
Capital Outlay	9,178,080	4,559,275	4,877,081	3,491,356
Total Expenditures	50,969,781	46,454,646	45,409,041	45,348,377
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(55,662)	(1,091,681)	1,379,509	3,678,005
OTHER FINANCING SOURCES (USES)				
Transfers In	9,006,449	7,315,265	6,702,316	3,098,328
Transfers (Out)	(9,006,449)	(7,315,265)	(6,702,316)	(3,098,328)
Bonds Issued	-	-	-	-
Premium (Discount) on Bonds Issued	-	-	-	-
Payment to Refunded Bond Escrow	-	-	-	-
Lease Issuance	-	-	-	59,266
SBITA Issuance	-	-	-	-
Installment Contract Issuance	-	-	-	-
Sale of Capital Assets	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	59,266
NET CHANGE IN FUND BALANCES	$ (55,662)	$ (1,091,681)	$ 1,379,509	$ 3,737,271
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	4.20%	4.42%	4.27%	4.20%

2020	2021	2022	2023	2024	2024*
$ 5,239,878	$ 4,761,355	$ 5,833,269	$ 5,994,755	$ 6,185,781	$ 7,242,410
899,643	1,158,614	1,034,141	1,059,180	1,502,481	807,285
19,559,437	24,193,553	24,417,463	25,113,422	26,316,906	18,104,043
462,293	301,362	368,879	528,493	595,639	354,083
13,034,033	13,698,616	13,693,963	14,543,492	15,248,645	15,750,945
8,347,412	8,909,719	10,318,226	10,393,577	9,289,709	9,146,869
410,527	553,878	199,629	-	-	-
1,317,219	375,853	(1,716,158)	329,908	1,924,376	1,984,179
2,629,098	2,200,268	2,395,649	3,058,970	2,194,091	1,675,006
51,899,540	56,153,218	56,545,061	61,021,797	63,257,628	55,064,820
9,121,535	8,313,267	7,419,264	7,540,492	8,164,071	5,365,205
25,551,179	25,839,379	26,974,821	28,930,616	29,450,821	22,563,198
5,948,684	6,188,853	6,475,910	7,064,744	7,198,141	4,921,141
661,596	510,466	776,629	926,822	914,706	700,213
9,975,381	1,051,080	1,384,794	1,499,329	1,481,851	1,318,693
228,933	550,858	395,496	359,007	311,223	260,045
6,150,077	9,778,291	3,485,976	9,160,231	13,160,786	12,300,871
57,637,385	52,232,194	46,912,890	55,481,241	60,681,599	47,429,366
(5,737,845)	3,921,024	9,632,171	5,540,556	2,576,029	7,635,454
6,609,374	9,969,342	14,512,565	12,506,632	14,729,482	19,081,975
(6,609,374)	(10,382,457)	(14,512,565)	(12,506,632)	(14,828,202)	(20,245,259)
7,954,054	-	-	-	-	-
787,327	-	-	-	-	-
-	-	-	-	-	-
813,338	2,483,808	125,043	157,233	491,512	245,697
-	-	-	-	-	359,326
-	-	-	-	-	119,398
52,807	195,719	136,061	-	62,188	87,722
9,607,526	2,266,412	261,104	157,233	454,980	(351,141)
$ 3,869,681	$ 6,187,436	$ 9,893,275	$ 5,697,789	$ 3,031,009	$ 7,284,313
18.72%	3.56%	3.88%	3.72%	3.52%	4.14%

CITY OF CRYSTAL LAKE, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Farm Property	Residential Property	Commercial Property	Industrial Property	Mineral Property	Rail Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Percentage of Assessed Value
2015	$ 1,404,385	$ 699,260,973	$ 217,281,136	$ 59,020,112	$ 844,076	$ 1,581,706	$ 979,392,388	1.2130	$ 2,938,177,164	33.33%
2016	1,526,396	740,647,736	228,349,107	61,366,135	844,076	1,608,116	1,034,341,566	1.1485	3,103,024,698	33.33%
2017	1,622,445	786,070,587	235,117,515	64,679,519	844,076	1,639,399	1,089,973,541	1.1452	3,269,920,623	33.33%
2018	1,761,344	830,734,889	246,047,143	66,264,371	1,465,540	1,760,154	1,148,033,441	1.0873	3,444,100,323	33.33%
2019	1,886,251	863,066,368	262,375,574	69,136,637	1,525,433	1,920,523	1,199,910,786	1.0879	3,599,732,358	33.33%
2020	1,818,208	903,785,948	265,462,865	70,787,741	1,560,639	2,001,775	1,245,417,176	1.0481	3,736,251,528	33.33%
2021	1,996,645	936,467,067	275,263,871	73,138,016	1,606,507	2,177,547	1,290,649,653	1.0743	3,871,948,959	33.33%
2022	2,144,058	1,013,312,568	296,394,616	76,805,530	1,670,033	2,387,892	1,392,714,697	1.0382	4,178,144,091	33.33%
2023	2,339,725	1,103,721,571	317,920,939	80,953,603	1,770,279	2,580,804	1,509,286,921	0.9868	4,527,860,763	33.33%
2024	2,919,314	1,253,103,992	347,136,556	88,537,396	1,882,268	2,448,166	1,696,027,692	0.9093	5,088,083,076	33.33%

Note: Property in the City is assessed using a multiplier of 33.3%, therefore the estimated actual taxable values are equal to assessed value multiplied by 3. Tax rates are per $100 of assessed value.

Data Source

McHenry County Clerk

CITY OF CRYSTAL LAKE, ILLINOIS

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Operating										
Municipal Retirement	0.0796	0.0868	0.0914	0.0849	0.0958	0.1313	0.1372	0.1461	0.1540	0.1729
Police Pension	0.2354	0.2394	0.2500	0.2697	0.2353	0.2242	0.2083	0.2219	0.2022	0.2034
School Cross Guard	0.0048	0.0050	0.0052	0.0043	0.0044	0.0046	0.0048	0.0050	0.0053	0.0046
Fire Protection	0.4529	0.5041	0.5276	0.5383	0.5501	0.5710	0.5761	0.5992	0.6315	0.6592
Firemen Pension	0.1366	0.1514	0.1641	0.1771	0.1625	0.1569	0.1609	0.1729	0.1556	0.1729
Total City of Crystal Lake	0.9093	0.9868	1.0382	1.0743	1.0481	1.0879	1.0873	1.1452	1.1485	1.2130
Crystal Lake Public Library	0.3093	0.3374	0.3550	0.3674	0.3755	0.3897	0.3997	0.4210	0.4345	0.4589
McHenry County	0.5231	0.6649	0.6982	0.7365	0.7621	0.7868	0.8317	0.9019	1.0539	1.0781
District 47	3.4282	3.6730	3.7431	3.8048	3.8548	3.8851	3.9469	4.0463	4.1616	4.3488
District 155	2.2462	2.4096	2.4353	2.1383	2.1636	2.5236	2.5646	2.6953	2.7749	2.9060
Debt Service										
District 47	-	-	0.0065	-	-	-	-	0.2143	0.2119	0.2103
District 155	0.0304	0.0341	0.0421	0.3371	0.3485	0.0466	0.0485	0.0066	0.0537	0.1196
Total Tax Rate										
City of Crystal Lake	0.9093	0.9868	1.0382	1.0743	1.0481	1.0879	1.0873	1.1452	1.1485	1.2130
Crystal Lake Public Library	0.3093	0.3374	0.3550	0.3674	0.3755	0.3897	0.3997	0.4210	0.4345	0.4589
McHenry County	0.5231	0.6649	0.6982	0.7365	0.7621	0.7868	0.8317	0.9019	1.0539	1.0781
District 47	3.4282	3.6730	3.7496	3.8048	3.8548	3.8851	3.9469	4.2607	4.3735	4.5591
District 155	2.2766	2.4437	2.4774	2.4754	2.5121	2.5702	2.6130	2.7019	2.8286	3.0255
Other										
College District 528 MCC	0.2597	0.2821	0.3060	0.3297	0.3433	0.3564	0.3655	0.3847	0.4066	0.4348
McHenry County Conservation	0.1876	0.2030	0.2125	0.2219	0.2236	0.2286	0.2380	0.2449	0.2588	0.2766
Crystal Lake Park District	0.4224	0.4500	0.4629	0.4703	0.4813	0.4886	0.5003	0.5178	0.5310	0.5535
Township (Algonquin)	0.0439	0.0489	0.0524	0.0543	0.0558	0.0573	0.0603	0.0638	0.0712	0.0828
Road and Bridge (Algonquin)	0.1059	0.1177	0.1201	0.1231	0.1265	0.1323	0.1417	0.1527	0.1705	0.1862

Data Source

McHenry County Clerk.

CITY OF CRYSTAL LAKE, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

		2024			2015		
Taxpayer	**Type of Business**	**Taxable Assessed Value**	**Rank**	**Percent of Total District Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percent of Total District Taxable Assessed Value**
Chern Partners LLC	Residential	$ 13,391,966	1	0.89%			
Continental 544 Fund LLC	Residential	11,388,644	2	0.75%			
PMAT Crystal, LLC	Commercial	10,531,775	3	0.70%			
KPR US LLC	Industrial	8,102,801	4	0.54%			
Cunat Exc III Darlington	Residential	7,030,811	5	0.47%			
Chern Randall Baric Randall	Residential	6,803,675	6	0.45%			
Centro Bradley Crystal Lake	Commercial	6,552,150	7	0.43%			
Stag Industrial Holdings	Industrial	5,830,518	8	0.39%			
ARHC CLCRYIL01 LLC	Commercial	4,264,117	9	0.28%			
Crystal Lake LP	Commercial	4,243,444	10	0.28%	$ 3,051,408	9	0.31%
Skyridge Partners II, LLC	Residential				7,615,368	1	0.78%
Crystal Point LLC	Commercial				6,812,945	2	0.70%
Bradley Oper. Ltd. Partnership	Commercial				5,660,041	3	0.58%
Cobalt Industrail	Industrial				5,352,777	4	0.55%
Tyco Healthcare Group	Manufacturing				4,306,670	5	0.44%
Walmart Real Est Business	Commercial				3,992,485	6	0.41%
Watermark Crystal Lake	Residential				3,357,186	7	0.34%
Northern IL Medical Center	Healthcare				3,281,087	8	0.34%
Inland Bohl Farm	Commercial				2,687,383	10	0.27%
		$ 78,139,901		5.61%	$ 46,117,350		4.72%

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

Data Source

McHenry County Treasurer

CITY OF CRYSTAL LAKE, ILLINOIS

PROPERTY TAX EXTENSIONS AND COLLECTIONS

Last Ten Fiscal Years

Fiscal Year Ended December 31,	Taxes Extended for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections to Date	
		Amount	Percentage of Extension		Amount	Percentage of Extension
2016	$ 11,785,312	$ 11,765,244	99.83	-	$ 11,765,244	99.83
2017	11,879,677	11,864,090	99.87	-	11,864,090	99.87
2018	11,879,703	11,873,307	99.95	-	11,873,307	99.95
2019	12,482,104	12,464,739	99.86	-	12,464,739	99.86
2020	12,482,131	12,456,521	99.79	-	12,456,521	99.79
2021	13,053,697	13,030,707	99.82	-	13,030,707	99.82
2022	13,053,672	13,028,661	99.81	-	13,028,661	99.81
2023	13,865,914	13,847,890	99.87	-	13,847,890	99.87
2024	14,459,457	14,441,441	99.88	-	14,441,441	99.88
2024*	14,893,700	14,807,230	99.42	-	14,807,230	99.42

*The City changed its fiscal year from April 30 to December 31 effective December 31, 2024.

Note: Above schedule excludes taxes levied and collected on special service areas. There is a two year difference between the levy year and the fiscal year for which the taxes are levied.

Data Source

McHenry County Clerk

CITY OF CRYSTAL LAKE, ILLINOIS

RATIOS OF OUTSTANDING DEBT - BY TYPE

Last Ten Fiscal Years

	Governmental Activities					Business-Type Activities						
Fiscal Year Ended December 31,	General Obligation Bonds	Unamortized Bond Premium	Installment Contract	Lease Liability	SBITA Liability	General Obligation Bonds	Notes Payable	Unamortized Bond Premium	Lease Liability	Total Primary Government	Percentage of Personal Income	Per Capita
2016	$ 14,898,250	$ 48,095	$ -	$ -	$ -	$ 22,411,000	$ 1,900,000	$ 901,155	$ -	$ 40,158,500	2.80%	$ 986
2017	13,453,551	30,379	-	-	-	20,364,550	10,426,422	822,722	-	45,097,624	3.17%	1,107
2018	11,988,542	12,491	-	-	-	18,270,226	15,537,661	741,277	-	46,550,197	3.36%	1,143
2019	10,473,372	(6,047)	-	54,611	-	16,108,783	15,235,751	658,204	59,664	42,584,338	3.07%	1,045
2020	9,339,638	794,276	-	780,680	-	20,301,671	14,389,153	1,187,033	160,682	46,953,133	3.39%	1,152
2021	7,716,268	708,630	-	2,817,479	-	17,598,732	13,525,659	1,107,355	501,116	43,975,239	2.67%	1,092
2022	6,967,332	623,693	-	2,293,855	-	15,712,668	16,266,699	994,313	415,156	43,273,716	2.70%	1,075
2023	6,151,361	530,758	-	1,176,190	-	21,398,639	18,407,107	700,101	321,998	48,686,154	2.88%	1,197
2024	5,327,518	436,973	-	986,480	-	19,367,482	18,251,057	569,011	215,466	45,153,987	2.47%	1,110
2024*	4,483,007	350,345	119,398	741,834	299,322	17,266,993	17,506,235	527,068	199,307	41,493,509	2.21%	1,020

*The City changed its fiscal year from April 30 to December 31 effective December 31, 2024.

CITY OF CRYSTAL LAKE, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year Ended December 31,	General Obligation Debt	Unamortized Bond Premium	Less Amounts Available in Debt Service Funds	Net Bonded Debt	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2016	$ 37,309,250	$ 949,250	$ 607,044	$ 37,651,456	3.80%	$ 904.04
2017	32,965,000	853,101	535,819	33,282,282	3.47%	816.88
2018	29,505,000	753,768	470,617	29,788,151	2.88%	731.12
2019	26,582,155	652,157	380,381	26,853,931	2.34%	659.11
2020	29,641,309	1,981,309	263,268	31,359,350	2.61%	769.69
2021	25,315,000	1,815,985	328,566	26,802,419	2.23%	665.58
2022	22,680,000	1,618,006	328,811	23,969,195	1.86%	595.23
2023	27,550,000	1,230,859	329,055	28,451,804	2.04%	706.54
2024	24,695,000	1,005,984	-	25,700,984	1.70%	638.23
2024*	21,750,000	877,413	-	22,627,413	1.33%	561.91

*The City changed its fiscal year from April 30 to December 31 effective December 31, 2024.

Notes: Population data can be found at page 173 - demographic and economic statistics.

Property value data can be found at pages 165 - assessed value and actual value of taxable property.

CITY OF CRYSTAL LAKE, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES BONDED DEBT,
UNAMORTIZED BOND PREMIUM AND CAPITAL LEASES

December 31, 2024

Governmental Unit	Bonded Debt	Applicable to the City Percent	Applicable to the City Amount
Bonded Debt	$ 4,483,007		
Unamortized Bond Premium	350,345		
Capital Leases	-		
Total City of Crystal Lake	4,833,352	100%	$ 4,833,352
Overlapping			
School District Number 155	10,650,000	41.15%	4,382,475
School District Number 46	22,635,000	15.84%	3,585,384
Elgin Community College Number 509	173,630,000	0.002%	3,473
School District Number 200	65,533,650	0.93%	606,842
School District Number 300	176,815,000	0.01%	14,145
McHenry County Conservation District	37,600,000	13.54%	5,091,040
Lake in the Hills Sanitary District	2,445,000	6.43%	157,214
Crystal Lake Park District	12,698,000	75.52%	9,589,530
Cary Park District	13,637,055	0.04%	5,182
Huntley Park District	1,765,000	0.60%	10,555
Total others	517,408,705		23,445,840
Total overlapping debt	$ 522,242,057		$ 28,279,192

CITY OF CRYSTAL LAKE, ILLINOIS

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

The City is a home rule municipality. To date, the General Assembly has set no limits for home-rule municipalities.

Article VII, Section 6(k) of the Illinois Constitution governs computation of the legal debt margin.

"The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home-rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property …(2) if its population is more than 25,000 and less than 500,000 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."

CITY OF CRYSTAL LAKE, ILLINOIS

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Fiscal Years

Fiscal Year Ended December 31,	Estimated Population (1)	Personal Income	Per Capita Personal Income (2)	School Enrollment (3)	Unemployment Rate (4)	
2016	40,743	$ 1,268,451,819	$ 31,133	14,020	5.0%	
2017	40,743	1,420,912,125	34,875	13,896	3.2%	
2018	40,743	1,386,932,463	34,041	13,695	3.5%	
2019	40,743	1,468,214,748	36,036	13,357	2.8%	
2020	40,743	1,710,187,425	41,975	13,138	16.1%	(5)
2021	40,269	1,645,028,919	40,851	12,639	5.0%	
2022	40,269	1,601,981,358	39,782	12,787	2.5%	
2023	40,269	1,671,445,383	41,507	12,647	3.6%	
2024	40,269	1,808,521,059	44,911	12,545	3.5%	
2024*	40,269	1,860,387,531	46,199	12,188	3.7%	

*The City changed its fiscal year from April 30 to December 31 effective December 31, 2024.

Data Sources

(1) U.S. Census Bureau
(2) U.S. Census Bureau
(3) Elementary and High School - obtained from School Districts
(4) IL Department of Employment Security - Local Area Unemployment Statistics
(5) Change in Unemployment rate is attributable to closures as a result of COVID-19 and the Govenor's Stay-at-Home Orders.

CITY OF CRYSTAL LAKE, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year

Employer	Employees	Rank	% of Total City Population
CL Elementary School District 47	1,528	1	3.79%
Mercyhealth	732	2	1.82%
Crystal Lake School District 155	725	3	1.80%
McHenry County College	500	4	1.24%
Knaack Manufacturing	500	5	1.24%
Crystal Lake Park District	480	6	1.19%
Aptar Group	475	7	1.18%
Walmart	350	8	0.87%
City of Crystal Lake	241	9	0.60%
Clayens	230	10	0.57%
Technipaq	225	11	0.56%
Jewel Foodstores	220	12	0.55%
	6,206		15.41%

Information is not readily available for previous years.

Data Sources

Crystal Lake Website, Demographic Data and Statistics, Labor Statistics

CITY OF CRYSTAL LAKE, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

	2024*	2024	2023	2022	2021	2020	2019	2018	2017	2016
GENERAL GOVERNMENT	30.50	30.50	30.05	30.05	29.95	37.25	37.75	38.75	38.75	39.25
PUBLIC SAFETY										
Police	88.70	78.70	78.70	77.70	77.70	77.75	77.75	77.75	78.75	78.75
Fire	80.00	68.00	67.50	67.50	67.50	67.50	67.50	67.50	67.50	67.50
HIGHWAYS AND STREETS										
Administration	4.50	4.50	5.75	4.75	3.25	4.25	4.25	4.25	5.25	5.25
Engineering	8.00	8.00	7.00	7.00	7.00	0.00	0.00	0.00	0.00	0.00
Fleet & Facilities	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	6.50	6.50
Maintenance	15.00	15.00	15.00	15.00	15.00	17.00	17.00	18.00	18.00	18.00
WATERWORKS AND SEWERAGE	29.00	29.00	29.00	29.00	30.00	28.00	28.00	28.00	30.00	31.00
TOTAL	262.70	240.70	240.00	238.00	237.40	238.75	239.25	241.25	244.75	246.25

*The City changed its fiscal year from April 30 to December 31 effective December 31, 2024.

Notes: Full-time equivalent employment is a unit of measure that indicates the workload of an employee. An FTE of 1.0 is equivalent to a full-time worker, while an FTE of 0.75 or 0.5 signals three-quarter or half of a full work load. In Fiscal Year 2021, Engineering moved from the Community Development Department (General Government) to the Public Works Department.

Data Source

City of Crystal Lake records

CITY OF CRYSTAL LAKE, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

	2024*	2024	2023	2022	2021	2020	2019	2018	2017	2016
Police										
Physical arrests	643	899	891	642	611	769	854	838	905	935
Parking violations	2,100	3,754	3,090	2,278	2,019	3,228	2,339	3,310	3,742	4,131
Traffic violations	3,101	4,456	9,434	3,379	3,697	8,788	9,937	10,910	11,869	13,961
Fire										
Number of calls answered	5,182	7,487	7,642	6,704	6,283	6,799	6,345	6,228	5,894	5,833
Inspections	761	967	1,277	743	588	853	957	981	650	833
Highways and Streets										
Street resurfacing (lane miles)	8.9	10.7	10.9	12.3	10.8	10.0	6.9	6.9	8.3	6.0
Water										
New connections	81	205	103	99	123	76	19	8	12	5
Water main breaks	8	26	15	25	22	21	28	19	24	18
Average daily consumption (millions of gallons)	3.70	3.63	4.20	4.10	3.87	4.01	3.85	3.85	3.90	3.93
Wastewater										
Average daily sewage treatment (millions of gallons)	3.68	3.84	4.19	3.84	4.77	5.00	4.80	4.80	4.80	5.10
Library										
Circulation										
Physical materials	326,343	481,611	489,613	444,589	115,152	N/A	N/A	N/A	N/A	N/A
e-materials	76,362	104,088	90,121	85,340	94,193	N/A	N/A	N/A	N/A	N/A
Reference Questions	44,050	61,815	62,697	46,152	13,592	N/A	N/A	N/A	N/A	N/A
Cardholders	18,951	17,685	17,685	18,680	21,109	N/A	N/A	N/A	N/A	N/A
Programs										
Number	681	1,015	1,012	921	1,020	N/A	N/A	N/A	N/A	N/A
Attendance	33,190	47,615	51,325	38,162	88,730	N/A	N/A	N/A	N/A	N/A

* FY2024B is an 8-month transitional fiscal year, running May 1, 2024 to December 31, 2024.

Data Source

City and Library records
N/A - data not available

CITY OF CRYSTAL LAKE, ILLINOIS

CAPITAL ASSETS STATISTICS

Last Ten Fiscal Years

	2024*	2024	2023	2022	2021	2020	2019	2018	2017	2016
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	23	22	22	22	22	19	19	19	23	23
Fire										
Stations	3	3	3	3	3	3	3	3	3	3
Highways and Streets										
Streets (miles)	177	177	176	176	176	176	176	176	160	160
Streetlights	2,417	2,417	2,417	2,417	2,417	2,417	2,417	2,417	2,417	2,410
Traffic signals	35	35	33	33	33	33	33	33	33	33
Culture and Recreation										
Parks acreage	450	450	450	450	450	450	450	450	450	450
Water										
Water mains (miles)	240	240	240	240	240	236	230	230	230	230
Fire hydrants	3,263	3,263	3,206	3,234	3,181	3,122	3,122	3,122	3,114	3,095
Maximum daily capacity (million of gallons)	8.54	8.54	8.54	8.54	8.54	8.54	8.54	8.54	8.54	8.54
Sewer										
Sanitary sewers (miles)	165	165	165	165	165	161	166	166	166	166
Storm sewers (miles)	122	122	122	122	122	115	114	60	60	60
Maximum daily treatment (millions of gallons)	20.20	20.20	20.20	20.20	20.20	20.20	20.20	19.50	16.50	16.50

*The City changed its fiscal year from April 30 to December 31 effective December 31, 2024.

Data Source

City records

CONTINUING DISCLOSURE

Certificate of Coverage

Name and Address of Agency	**Name and Address of Member**
IRMA 999 Oakmont Plaza Drive, Suite 310 Westmont, IL 60559 (708) 562-0300	City of Crystal Lake 100 W. Woodstock St. Crystal Lake, IL 60014

Scope of Coverage

This certificate is issued as a matter of information only and confers no rights upon the recipient. This certificate does not amend, extend or alter the coverages provided to the member. IRMA is a joint municipal risk pool established by contracting units of local government pursuant to Article VII, Section 10 of the Illinois Constitution and the Intergovernmental Cooperation Act, 5 ILCS 220/ et. seq. IRMA is a joint municipal risk pool and administers its members' coverage. This is to certify that the coverages listed below are provided by IRMA to the member named above for the Coverage Term indicated.

Scope of Coverage	**Coverage Dates**	**Limits Each Occurrence**
General Liability (Policy #2025IRMA-GL) Bodily Injury & Property Damage Combined Single Limit	11/01/2024- 11/01/2025	$1,000,000 minimum
Automobile Liability (Policy #2025IRMA-AUTO) Bodily Injury & Property Damage Combined Single Limit	11/01/2024- 11/01/2025	$1,000,000 minimum
Workers' Compensation (Policy #SP 467427) Employers Liability	11/01/2024- 11/01/2025	Statutory $2,500,000
First Party Property – All Risk (Policy #IRMA-PROP) (Includes Auto Comp./Collision)	11/01/2024- 11/01/2025	$250,000,000

Description of Operations/Locations/Vehicles/Special Items

Evidence of 2025 IRMA Coverage.

Certificate Holder

Authorized Representative:	**Date Issued:**
Margo Ely, Executive Director	November 1, 2024