

**VILLAGE OF LIBERTYVILLE  
BOARD OF TRUSTEES**

**Committee of the Whole  
Finance Committee**

**November 10, 2020  
7:00 p.m.**

**AGENDA**

Meeting Conducted Virtually Due to Governor's Executive Orders #2020-10, 18, and 32

**Pursuant to the Open Meetings Act, as amended by Public Act 100-0640, the Mayor of the Village of Libertyville, as the head of the public body, has made a determination that an in-person meeting is not practical or prudent because of a disaster.**

Please join this meeting from your computer, tablet or smartphone:

<https://global.gotomeeting.com/join/243229461>

Members of the public can also dial in using a phone:

United States: +1 (646) 749-3122

Access Code: 243-229-461

1. Approve Minutes of the October 13, 2020 Meeting (Roll Call)
2. Review of Monthly Financial Report – October 2020 / COVID-19 Impact Update
3. Tax Levy Presentation – Tax Year 2020
4. Annual Review of IRMA Excess Reserves
5. Stormwater (Verbal Update)
6. Other
7. Adjourn



**VILLAGE OF LIBERTYVILLE**  
**Finance Committee/Committee of the Whole Minutes**  
**DRAFT**  
**October 13, 2020**

A joint meeting of the Finance Committee and Committee of the Whole was held on Tuesday, October 13, 2020 at 7:00pm virtually due to COVID-19. In attendance were Committee members: Chairman Moras and Trustees Carey and Justice. Also in attendance were Mayor Weppler, Trustee Johnson, Trustee Adams, Trustee Garrity, Clerk Kowal, Administrator Amidei, Deputy Administrator Engelmann, Fire Chief Rich Carani, Public Works Director Paul Kendzior, Police Chief Clint Herdegen, Village Attorney David Pardys, Community Development Director John Spoden, Recreation Manager Julie Ludwig, and Finance Director Mostardo.

Clerk Kowal called the roll.

PRESENT – Weppler, Johnson, Moras, Justice, Adams, Garrity, Carey  
 NOT PRESENT – None

Trustee Justice moved to approve the minutes of the September 22, 2020 Finance Committee/Committee of the Whole meeting and Trustee Adams seconded. After a roll call vote, the motion carried.

AYES – Johnson, Moras, Justice, Adams, Garrity, Carey  
 NAYS – None  
 NOT VOTING – None

**Budget Amendment (FY 2020-2021) Continued Discussion**

Director Mostardo continued with the FY 2020-2021 budget amendment presentation that was started during the committee meeting on September 22, 2020. He reviewed the proposed budget adjustments to the Project Fund, Park Improvement Fund, Fleet Fund, Technology Fund, Utility Fund, Stormwater Sewer Fund, and Libertyville Sports Complex Fund. Trustee Moras remarked that the Board and staff came together well as team to take action to address the uncertainties presented by the COVID-19 pandemic. Hearing no other questions, Trustee Moras asked for a motion to recommend the budget amendment as presented to the full Village Board. Trustee Carey made the formal motion, which was seconded by Trustee Garrity. After a roll call vote, the motion carried.

AYES – Johnson, Moras, Justice, Adams, Garrity, Carey  
 NAYS – None  
 NOT VOTING – None

**Review of Monthly Reports**

Trustee Moras indicated that the September financial statements are trending more positively than in past months, cautioning that there is still a good deal of uncertainty moving forward into the winter months. In his opening remarks, Director Mostardo recognized Assistant Finance Director Ariel Tax for working hard to close out the month of September on a tight deadline for the committee meeting.

He further remarked that while September financials were markedly improved from prior months, there is a continued risk from rising COVID-19 cases in the region. Director Mostardo also shared that the Village had formally submitted its CARES Act reimbursement to Lake County in an amount totaling \$934,578. Trustee Garrity inquired as to whether or not there any additional opportunities at present to submit for CARES Act items. Director Mostardo indicated that the Village's current Lake County CARES Act distribution is depleted, but there may be additional opportunities through FEMA in the future.

Director Mostardo then proceeded to review the monthly financial statements of the General Fund, Utility Fund, and Libertyville Sports Complex Fund. He indicated that sales taxes in September performed relatively well.

**Electric Utility Tax**

Trustee Moras reviewed the Village's Electric Utility Tax and noted that the current tax sunsets on December 31, 2020. Based on the current economic circumstances, it will be necessary to extend the tax through December 31, 2021. Trustee Adams made the formal motion, which was seconded by Trustee Carey. After a roll call vote, the motion carried.

- AYES – Johnson, Moras, Justice, Adams, Garrity, Carey
- NAYS – None
- NOT VOTING – None

**Police and Fire Pension Funds Actuarial Valuations**

Director Mostardo outlined the most recent actuarial studies for the Village's Police and Fire Pension Funds. Because the funds' fiscal year ended on April 30, 2020, investment returns used in the completion of the actuarial study were less than the smoothed actuarial assumed rate of return. This, in turn, will increase the level of required Village contributions in 2021. The Tax Year 2020 (payable in 2021) levy recommendation for the Police Pension Fund is \$2,084,873, while the contribution for the Fire Pension Fund is \$1,640,990.

**Proposed FY 2021-2022 Budget Process Calendar**

Trustee Moras reviewed the proposed FY 2021-2022 budget process calendar. Due to COVID-19, some of the traditional autumn budget milestones would need to be shifted to January to allow for more accurate forecasting. None of the individual Village Board members indicated a conflict with the proposed schedule.

**Stormwater Update**

Director Mostardo provided a brief overview to the Board pertaining to the ongoing development of the proposed stormwater utility fee. He noted that staff continue to match parcels to utility billing accounts and that good progress is being made. He estimated several more weeks of work but indicated that the team is getting close to finishing up.

**Other**

None.

## **Adjournment**

There being no other business, Trustee Johnson moved to adjourn the meeting and Trustee Adams seconded the motion. After a roll call vote, the motion carried.

AYES – Johnson, Moras, Justice, Adams, Garrity, Carey

NAYS – None

NOT VOTING – None

The meeting was adjourned at 7:45pm

Respectfully submitted,

Nicholas A. Mostardo  
Director of Finance

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**MEMORANDUM**

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**TO:** CHAIRMAN MORAS AND FINANCE COMMITTEE

**FROM:** NICHOLAS MOSTARDO, DIRECTOR OF FINANCE

**SUBJECT:** VILLAGE OF LIBERTYVILLE FINANCIAL UPDATE

**DATE:** 11/10/2020

**CC:** KELLY AMIDEI, VILLAGE ADMINISTRATOR

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Background

The attached monthly financial statements provide general commentary related to Village finances for the month of October 2020. The purpose of this cover memorandum is to provide additional narrative directly related to the ongoing COVID-19 pandemic and its impact on the Village of Libertyville's financial position. This cover memo will utilize a consistent format each month and will be provided at each Finance Committee meeting until the economic effects of the COVID-19 pandemic substantially abate.

General COVID-19 Commentary

In October, COVID-19 trends continued to rise throughout the country, as many experts declared that the United States was entering a "second wave". The stock market was particularly volatile in October, having days of consistent losses followed by days of consistent gains. Health professionals are encouraging people to continue to promote social distancing and mask wearing throughout the autumn season and into the winter months.

In Illinois, the daily number of COVID-19 cases rose significantly from the beginning of October through the end of the month. Due this increase in positive cases, many regions (including Libertyville's) were placed into an elevated risk status. While hospitals still have adequate capacity, new cases of between 4,000 and 6,000 per day threaten to once again out pressure on the State's healthcare system.

The enhanced restrictions alluded to above took effect in Libertyville toward the end of the month of October. In particular, the State ordered indoor dining in the Lake/McHenry County region to close on October 31, 2020. If this closure is sustained for a long period of time, there is a significant risk of economic disruptions to the Village's revenue base as well as the long-term viability of its restaurant community. Local COVID-19 cases remain relatively stable and Advocate Condell hospital still has considerable capacity in its regular and intensive care inpatient facilities.

Fund Health

Each month, all Village funds will be individually classified on a green, yellow, red scale that assess the impact of COVID-19 on each respective fund.

The three classifications are as follows:

-  Healthy – This designation indicates that year-to-date, the fund is performing within 90% or more of its budgeted revenues versus benchmarking from the prior year.
-  Warning – This designation indicates that year-to-date, the fund is performing within 70%-89% of its budgeted revenues versus benchmarking from the prior year.
-  Action Needed – This designation indicates that year-to-date, the fund is performing at a level below 70% of its budgeted revenues versus benchmarking from the prior year.
-  Not Applicable/Special Circumstance – This designation indicates that a fund is subject to special circumstance previously discussed with the Board or there is no inter-period comparability available.

Funds in the “Healthy” category require no Board intervention and can follow the budget as-adopted for expenditures.

Funds in the “Warning” category require Board intervention on a case-by-case basis per staff recommendations (generally after two consecutive months). Individual funds in the category will be tracked carefully and will normally be upgraded to “Healthy” or downgraded to “Action Needed” within one fiscal quarter. This category is not a long-term designation.

Funds in the “Action Needed” category will normally require the Board to take action to reduce expenditures in line with revenue losses. Recommendations will be provided by staff to the Board for any funds falling into this category. The Fund Health Grid reflects updated budget numbers from the budget amendment adopted in October 2020.

#### Legislative Updates

There was no COVID-19 relief bill passed by Congress in October. Depending on the results on the November 3, 2020 General Election, the lame duck session of Congress may decide to take up a COVID-19 relief bill.

#### Financial Observations

The Village Board adopted a budget amendment to the FY 2020-2021 budget on October 13, 2020. According to the Fund Health Grid, most Village funds have returned to the “Healthy” category based upon the budget revisions of the budget amendment.

#### Attachments

1. Fund Health Grid – Month Ended October 31, 2020
2. Unaudited Financial Statements – Month Ended October 31, 2020

**VILLAGE OF LIBERTYVILLE  
FUND HEALTH GRID  
October 31, 2020**

<u>FUND</u>	<u>FY 2019-2020 Budgeted Revenue</u>	<u>FY 2019-2020 YTD Annual Revenue</u>	<u>FY 2019-2020 Percentage YTD Annual Revenue</u>	<u>FY 2020-2021 Amended Budgeted Revenue</u>	<u>FY 2020-2021 YTD Annual Revenue</u>	<u>FY 2020-2021 Percentage YTD Annual Revenue</u>	<u>Percentage of Revenue Versus Prior Year</u>	<u>Fund Health</u>	<u>Months in Current Category</u>	<u>Recommendations</u>
General Fund	29,918,722	19,247,157	64.33%	26,799,580	17,077,093	63.72%	99.05%		1	None
Concord SSA	23,090	23,058	99.86%	23,090	21,632	93.68%	93.81%		1	None
Fire Fund	1,000	2,890	289.00%	1,000	3,000	300.00%	103.81%		1	None
Foreign Fire Insurance Fund	50,750	54,381	107.15%	53,000	64,635	121.95%	113.81%		1	None
Timber Creek SSA	21,840	21,777	99.71%	21,940	19,492	88.84%	89.10%		1	Variation due to timing of revenues. No recommendations at this time
Motor Fuel Tax Fund	527,954	327,954	62.12%	1,594,746	1,293,260	81.10%	130.55%		1	None
Debt Service Fund	1,615,303	1,597,112	98.87%	1,701,086	1,575,849	92.64%	93.69%		1	None
TIF Fund	4,114,301	4,077,227	99.10%	4,208,994	3,931,157	93.40%	94.25%		1	None
Non-Home Rule Sales Tax Fund	-	-	0.00%	875,100	205,757	23.51%	0.00%		1	None
Impact Fee Fund	-	98,636	0.00%	20,000	80,454	402.27%	0.00%		1	None
Hotel/Motel Tax Fund*	374,000	209,898	56.12%	94,000	57,502	61.17%	109.00%		1	None
Commuter Parking Fund*	414,500	207,389	50.03%	98,920	55,645	56.25%	112.43%		1	None
Utility Fund*	10,890,055	5,327,275	48.92%	10,354,375	5,751,779	55.55%	113.55%		1	None
Stormwater Sewer Fund*	2,860,000	149,027	5.21%	1,125,435	253,090	22.49%	431.57%		1	None
Vehicle Maint/Replacement Fund	1,877,025	967,363	51.54%	1,204,956	581,503	48.26%	93.64%		1	None
Technology Equipment Replacement Fund	661,108	333,354	50.42%	668,742	328,547	49.13%	97.43%		1	None
Project Fund	543,500	152,578	28.07%	564,000	215,583	38.22%	136.16%		1	None
Park Improvement Fund	126,500	132,287	104.57%	125,750	77,786	61.86%	59.15%		1	Variation due to timing of revenues. No recommendations at this time
Public Building Improvement Fund	-	-	0.00%	-	-	0.00%	0.00%		1	None
Libertyville Sports Complex Fund	3,527,235	851,729	24.15%	1,868,078	(167,575)	-8.97%	-37.15%		1	None

\*Omits large one-time revenues for benchmarking purposes.

# VILLAGE OF LIBERTYVILLE

## FISCAL YEAR 2020 - 2021

### UNAUDITED FINANCIAL STATEMENTS



**MONTH ENDING:**

**October 31, 2020**

**PREPARED BY: FINANCE DEPARTMENT**



*Office of the Finance Director*

To: Mayor Wepler  
Village Board Trustees  
Village Administrator  
Department Heads

From: Nicholas A. Mostardo, Director of Finance

Re: Village of Libertyville Unaudited Monthly Financial Statements

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Please find enclosed the Village's unaudited financial statements for the month ending  
October 31, 2020.

These statements have been prepared by the Village's Finance Department and should be read in conjunction with my commentary following this cover letter.

The statements presented herein reflect the Village's general ledger as of the final day of the above-referenced month. It is important to recognize that these statements have not been audited by the Village's external accounting firm. While the Village has made every effort to include all revenues and expenses recognized during the month, there are normally audit adjustments made to our general ledger annually. Consequently, the data presented in the following statements is subject to revision up until the current fiscal year is formally audited during the subsequent year.

Any questions regarding these financial statements should be directed to me at (847)918-2102. In my absence, please contact Kelly Amidei, Village Administrator at (847)918-2027.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Nicholas Mostardo".

Nicholas A. Mostardo  
Director of Finance  
Village of Libertyville

**Village Hall**



## **PAGES 1-2 – VILLAGE BALANCE SHEET/INCOME STATEMENT**

### **General Highlights**

For the month ended October, 2020, the budget amendment adopted on October 13, 2020 was applied to the preparation of the financial statements. Total revenues for October month-end during the current fiscal year are \$22,661,297 versus \$26,075,143 at the end of October during the previous fiscal year, a drop of 13.1%.

### **Revenue Highlights**

As noted above, overall revenue for the Village's three major funds has been disrupted on account of COVID-19. The most significant disruptions are the result of General Fund revenues such as sales tax being down from the prior year. The Libertyville Sports Complex also remains closed and its regular annual revenues have not been recognized.

### **Expense Highlights**

Combined expenses for the Village's three major funds are down from the prior year by \$1,152,772. This partially offsets a portion of the revenues losses, specifically at the Libertyville Sports Complex. It will be important to control and reduce expenses where possible over the next several months in order to continue reducing the overall gap between revenue losses and expenses.

### **Fund Balance Highlights**

At this time cash reserves are still sufficient to meet the day-to-day liabilities of the Village.

**Note: The Balance Sheet is prepared on a modified accrual or accrual basis (depending on fund), while the Income Statement is prepared on a cash basis.**

#### **Village Hall**

118 West Cook Avenue Libertyville, Illinois 60048 (847) 362-2430 (847) 362-9453 fax  
[www.libertyville.com](http://www.libertyville.com)



## **PAGES 3 & 5 – GENERAL FUND YTD REVENUES**

### **Revenue Summary**

Based on historical trends, the budget benchmark for the six months of the fiscal year ended October 31 is 63.3%. For the six months of the fiscal year ended October 31, 2020, the General Fund revenues totaled 63.7% of the amended annual budget.

### **Property Taxes**

The budget benchmark for the end of the October is 99.0%, while actual October, 2020 collections total 91.9% of budget. This difference can mostly be attributed to timing. It is expected that this revenue category will trend closer to benchmark near the end of November.

### **State Revenues**

The October sales tax payment reflected the impact of the COVID-19 pandemic and will be discussed in a separate section of this report. Income tax was stable from the prior year and is being supplemented by the fact that Illinois taxes unemployment benefits. Use tax is trending about \$92,000 higher versus the prior year.

### **Permit Revenue**

Building permit sales in October totaled \$530,192 versus \$181,018 in the prior year due to large permit receipt from Encompass Health. Permit sales are still performing well this year with an actual percentage of 89.2% versus a budget benchmark of 53.1%.

### **Other Revenues**

Most revenues have been impacted to some degree by COVID-19. Specific revenues that are down fairly significantly from the prior year are 1) Recreation (and Swimming) Fees and 2) All types of fines

### **Miscellaneous Comments**

None.

#### **Village Hall**



## **PAGES 4-5 – GENERAL FUND YTD EXPENSES**

### **Expense Summary**

Overall General Fund expenses are down in October 2020 versus October 2019 by \$1,242,592. This is attributable to lower salaries in the General Fund portion of the Recreation and Sports Complex Department as well as a concerted effort by departments to reduce operating expenses where possible by deferring projects until later in the fiscal year or trying to extract more useful life out of various types of commodities. This amount is stable compared to prior months.

### **Miscellaneous Comments**

None.

#### **Village Hall**



## **PAGE 6 – UTILITY FUND REVENUES AND EXPENSES**

### **Revenue Summary**

Overall Utility Fund revenues for October 2020 were down \$224,481 from the prior year (due to FY 2019-2020 bond proceeds). The revenue on a water/sewer sales basis is higher in the current year (\$5,746,502 vs \$5,300,678) by \$445,824. Consumption is also higher than the prior year.

### **Expense Summary**

Utility Fund actual expenses are running higher compared to the prior year, but still similar to the prior year as a percentage of the budget. It is important to note that several capital projects have been billed out in the last month. Management continues to encourage operational staff to spend responsibly and keep in mind the economic effects of the COVID-19 pandemic.

### **Miscellaneous Comments**

None.



## **PAGE 7 – LIBERTYVILLE SPORTS COMPLEX FUND REVENUES AND EXPENSES**

### **Revenue Summary**

The negative revenue number represents substantially all refunded outstanding membership liability at the Complex. This negative value has become slightly more favorable over the last month due collection of certain receivables Staff continue to negotiate an agreement with the GLSA that would allow the organization to lease space independently during the winter season.

### **Expense Summary**

Overall expenses in the Sports Complex Fund are down from the prior year as expected due to the closure of the facility.

### **Miscellaneous Comments**

None.



## **PAGES 8-9 – SALES TAX REVENUE TRENDS**

### **Miscellaneous Comments**

Sales tax receipts for October 2020 reflect sales in July 2020 and tax remittances collected by the State of Illinois in August 2020. This remittance reflects the Village's fourth full-month of COVID-19 impacts, albeit with the State allowing more substantial reopening. The sales tax impact of the COVID-19 pandemic in July was approximately \$46,722 versus the prior year (\$691,655 in October 2019 versus \$644,933 in October 2020).

The Village received its first distribution of non-home rule sales tax receipts for July 2020 in October. Without the impacts of COVID-19, staff expected roughly a \$250,000 per month distribution. The October 2020 distribution of non-home rule sales tax was \$205,749. These revenues will be tracked separately from regular sales tax distributions.

## **PAGE10 – ALLOCATION OF CASH AND INVESTMENTS**

### **Miscellaneous Comments**

As mentioned earlier in this report, the Village of Libertyville maintains strong cash reserves that should help it persevere through the current economic crisis. What is significant, however, from a cash management perspective, is that interest rates on account balances in the Village's various investment and DDA accounts are dismal compared to the prior year. Accounts that were offering over 200 basis points yield in October 2019 are now offering less than 15 basis points yield. The interest rates of available new CDs has also declined.

### **Village Hall**



**VILLAGE OF LIBERTYVILLE, ILLINOIS**  
 (SELECTED FUNDS)  
 MONTHLY BALANCE SHEET  
 October 31, 2020

	GENERAL FUND	MOTOR FUEL TAX	TAX INC FINANCE DISTRICT	IMPACT FEE	HOTEL / MOTEL TAX	COMMUTER PARKING	INTERNAL SVC FUND a	CAPITAL PROJECTS b	UTILITY FUND c	STORMWATER SEWER FUND	LIBERTYVILLE SPORTS COMPLEX	TOTAL
<b>ASSETS</b>												
CASH & INVESTMENTS	14,580,152	2,882,060	4,424,929	967,672	535,797	566,299	1,223,560	1,991,880	3,090,746	1,180,686	(1,812,911)	29,630,870
INVENTORY - GAS & OIL							11,450					11,450
INVENTORY - PRO SHOP												-
RECEIVABLES :												
PROPERTY TAXES	6,761,515		4,315,262									11,076,777
ACCOUNTS AND OTHERS	3,099,193	35,382			4,349		46,990	33,778	2,661,805		621,963	6,503,460
ACCRUED INTEREST												-
DUE FROM OTHER FUNDS									237,818		(237,818)	-
IRMA MEMBERSHIP RECEIVABLES	1,542,470											1,542,470
DEFERRED OUTFLOWS									578,175		147,497	725,673
PREPAID EXPENSES & DEFERRED	240,358						11,235		42,132		27,927	321,652
PROPERTY & EQUIPMENT, NET OF												-
ACCUMULATED DEPRECIATION							4,695,110		31,065,508		15,503,693	51,264,311
<b>TOTAL ASSETS</b>	<b>26,223,688</b>	<b>2,917,442</b>	<b>8,740,191</b>	<b>967,672</b>	<b>540,147</b>	<b>566,299</b>	<b>5,988,345</b>	<b>2,025,658</b>	<b>37,676,183</b>	<b>1,180,686</b>	<b>14,250,352</b>	<b>101,076,663</b>
<b>LIABILITIES</b>												
ACCOUNTS PAYABLE	210,905				11,193	3,674	44,268	23,689	740,184	74,263	168,116	1,276,292
UNEARNED REVENUE											(5,252)	(5,252)
ACCRUED SALARIES & BENEFITS	597,537					4,500	14,339		90,098		56,552	763,026
COMPENSATED ABSENCES PAYABLE							27,007		222,975		32,592	282,574
DEFERRED REVENUE	6,742,615		4,315,262				80,000		24,000		68,889	11,230,765
NET PENSION LIABILITY									2,692,179		681,647	3,373,826
DEPOSITS	1,432,614								72,005		4,700	1,509,318
BONDS PAYABLE							104,512		12,778,007		13,810,000	26,692,519
DUE TO OTHER FUNDS												-
UNAMORTIZED BOND COSTS												-
<b>TOTAL LIABILITIES</b>	<b>8,983,671</b>	<b>-</b>	<b>4,315,262</b>	<b>-</b>	<b>11,193</b>	<b>8,174</b>	<b>270,126</b>	<b>23,689</b>	<b>16,619,447</b>	<b>74,263</b>	<b>14,817,244</b>	<b>45,123,068</b>
<b>BEGINNING FUND EQUITY</b>												
CONTRIBUTED CAPITAL							1,306,787		14,500,136			15,806,922
ASSIGNED FOR LSC BOND PAYOFF								225,803				225,803
FUND BALANCE :												
RES DEBT SERVICE SALES TAX ALT REV BDS												-
RES DRUG SEIZURE FORFEITURE	10,591											10,591
RES AFFORDABLE HOUSING				451,713								451,713
RES SIDEWALK				71,110								71,110
UNRESERVED	14,526,364	2,032,684	947,930	369,761	555,424	617,993	5,352,174	2,544,377	5,551,019	1,915,327	1,294,235	35,707,288
<b>TOTAL BEGINNING FUND EQUITY</b>	<b>14,536,955</b>	<b>2,032,684</b>	<b>947,930</b>	<b>892,584</b>	<b>555,424</b>	<b>617,993</b>	<b>6,658,960</b>	<b>2,770,180</b>	<b>20,051,154</b>	<b>1,915,327</b>	<b>1,294,235</b>	<b>52,273,428</b>
EXCESS INCOME OVER EXPENSES	2,703,063	884,757	3,476,999	75,088	(26,470)	(59,868)	(940,742)	(768,211)	1,005,582	(808,903)	(1,861,126)	3,680,167
<b>TOTAL LIABILITIES &amp; ENDING FUND EQUITY</b>	<b>26,223,688</b>	<b>2,917,442</b>	<b>8,740,191</b>	<b>967,672</b>	<b>540,147</b>	<b>566,299</b>	<b>5,988,345</b>	<b>2,025,658</b>	<b>37,676,183</b>	<b>1,180,686</b>	<b>14,250,352</b>	<b>101,076,663</b>

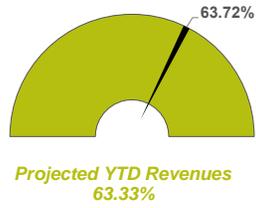
a - VEHICLE MAINT/REPLACEMENT SERVICE FUND and TECHNOLOGY EQUIPMENT/REPLACEMENT FUND      c - UTILITY FUND (WATER, SEWER, WWTP, DEBT SERVICE , CAPITAL IMPROVEMENTS)  
 b - PROJECT FUND, ROAD BOND FUND, BUILDING FUND, PARK IMPROVEMENT FUND, and PUBLIC BUILDING IMPROVEMENT FUND

# General Fund Revenue Dashboard Summary

For the Period Ending October 31, 2020



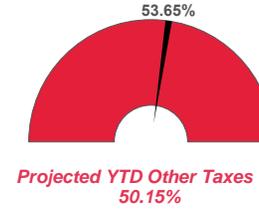
## Actual YTD Revenues



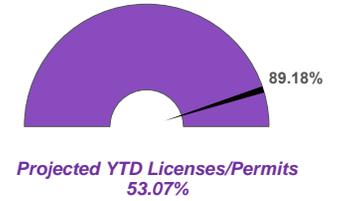
## Actual YTD Property Taxes



## Actual YTD Other Taxes



## Actual YTD Licenses/Permits

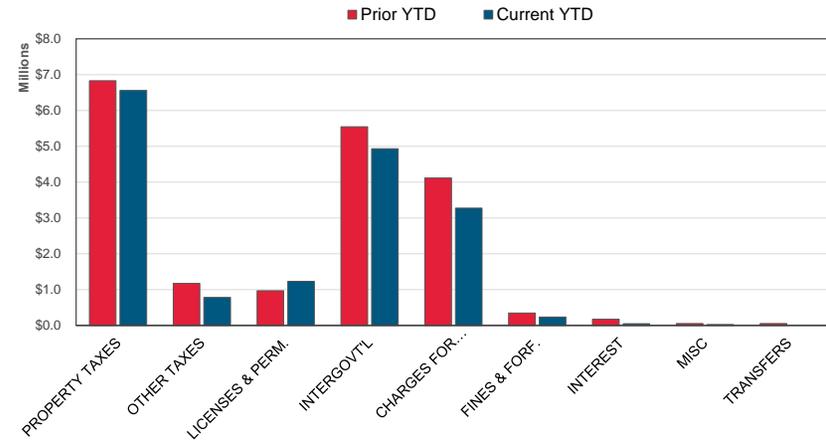


## Revenues

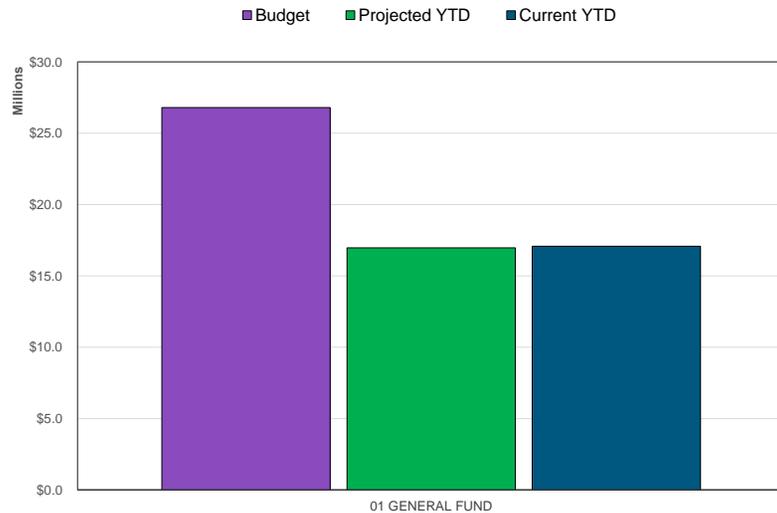
### Top 10 General Fund Sources of Revenue (YTD)

Sales Tax	\$3,287,630.00
Prop Taxes Police Pension Fund	\$1,892,134.00
Libertyville Fire Prot Dist	\$1,514,900.00
Prop Taxes Fire Pension Fund	\$1,367,143.00
Income Tax	\$1,190,638.00
Building Permits	\$1,174,074.00
Prop Taxes General Corporate	\$1,084,016.00
Prop Taxes Fire Protection	\$692,327.00
Electric Utility Tax	\$605,789.00
Ambulance Fees	\$496,650.00
<b>Percent of Total Revenues YTD</b>	<b>77.91%</b>

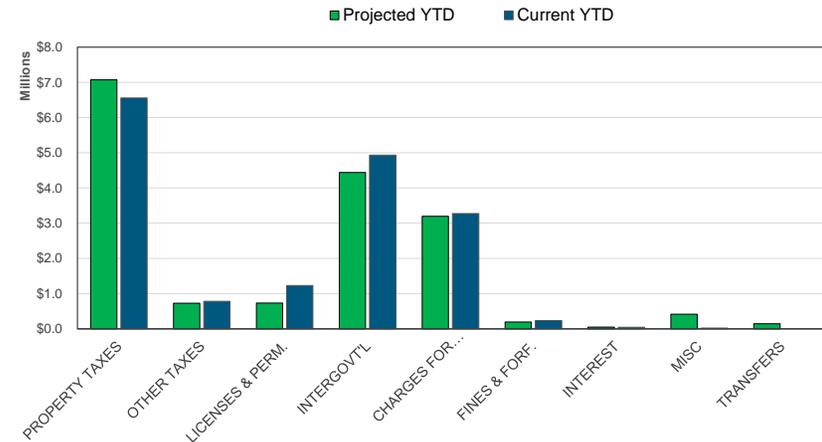
### Revenue by Source | Prior YTD vs. Current YTD



### Revenues by Fund | Budget / Projected YTD / Current YTD



### Revenue by Source | Projected YTD vs. Current YTD

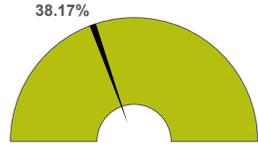


# General Fund Expenditure Dashboard Summary

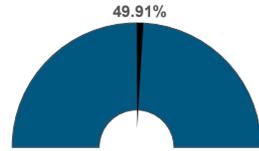
For the Period Ending October 31, 2020



Projected Fund Balance as % of Projected Expenditures

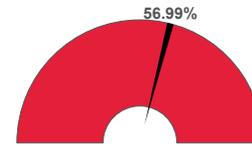


Actual YTD Expenditures



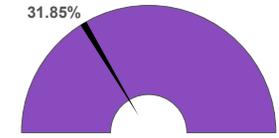
Projected YTD Expenditures  
51.02%

Actual YTD Salaries/Benefits



Projected YTD Salaries/Benefits  
56.87%

Actual YTD Other Expenses



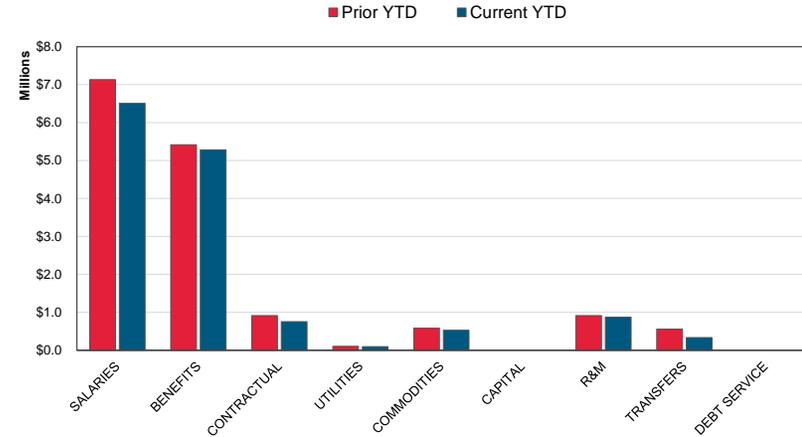
Projected YTD Other Expenses  
36.08%

## Expenditures

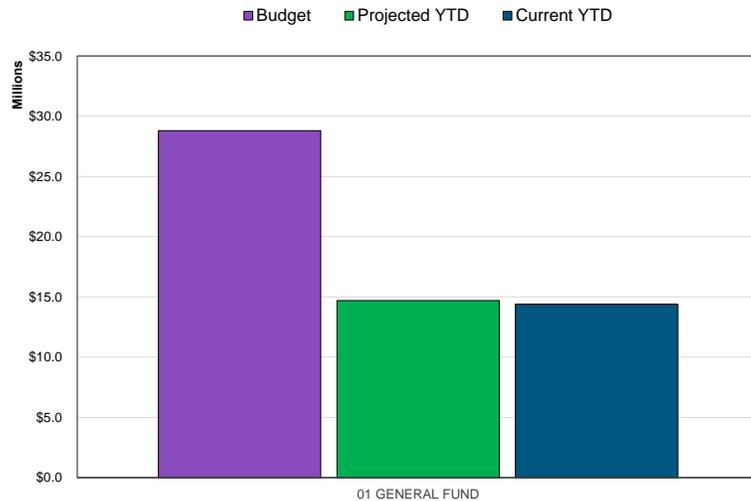
Top 10 General Fund Expenditures by Program (YTD)

1-701000 Salaries	\$6,034,106.00
2-786000 Employer Contrib-Pol Pension	\$1,902,134.00
2-720000 Insurance	\$1,408,118.00
2-787000 Employer Contrib-Fire Pension	\$1,377,143.00
7-714000 Vehicle/Grounds Maintenance	\$390,848.00
3-705000 Contractual Services	\$322,030.00
8-799000 Transfers Out	\$300,000.00
2-793000 Employer Contribution Imrf	\$288,757.00
1-704000 Salaries	\$275,087.00
7-713000 General Maintenance	\$219,865.00
<b>Percent of Total Expenditures YTD</b>	<b>87.09%</b>

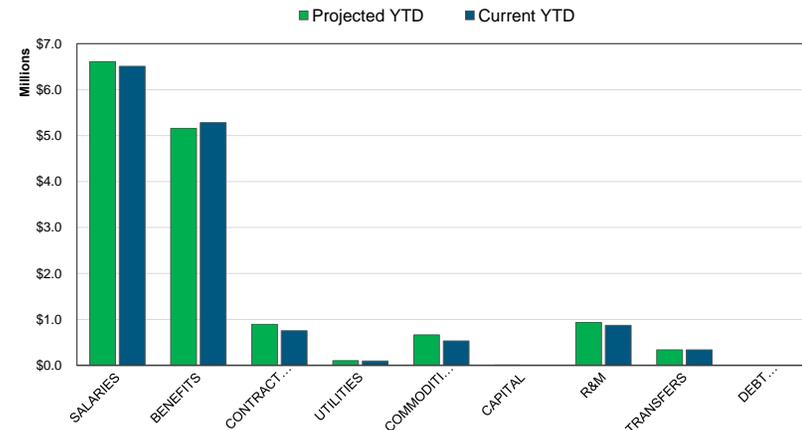
Expenditures by Object | Prior YTD vs. Current YTD



Expenditures by Fund | Budget / Projected YTD / Current YTD



Expenditures by Object | Projected YTD vs. Current YTD

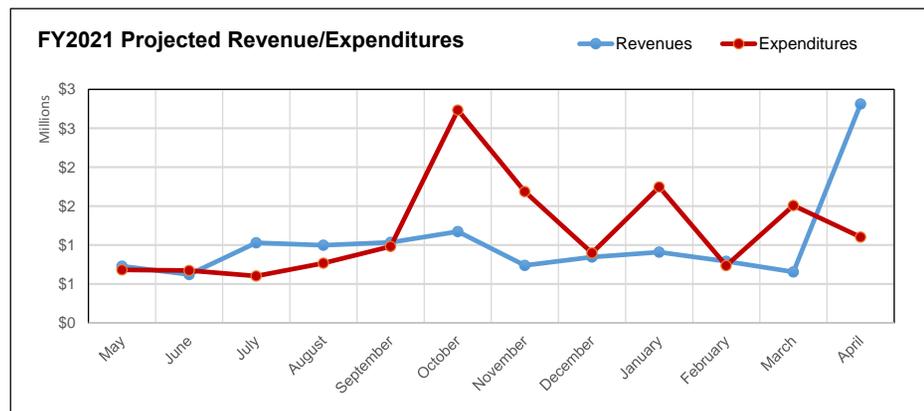
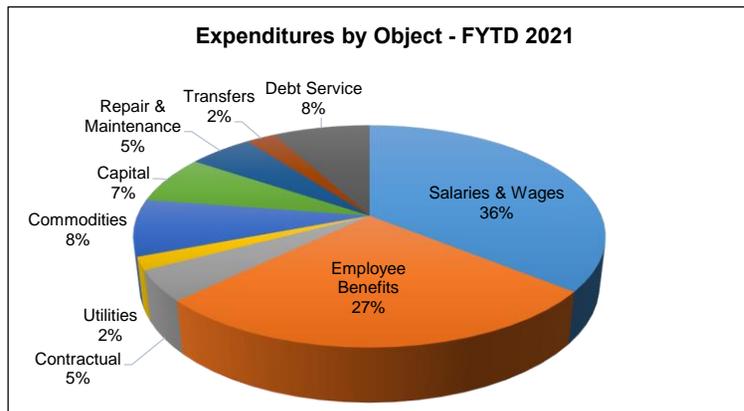


# Statement of Revenues, Expenditures, and Changes In Fund Balance



**For the Period Ending October 31, 2020**  
**All Funds Summary Breakdown**  
 (With Comparative Totals For the Period Ended October 31, 2019)

	All Funds FY2020	All Funds FY2021	% Incr/(Decr)	General Fund	Utility Fund	Libertyville Sports Complex Fund
<b>REVENUES</b>						
Property Taxes	\$6,827,226	\$6,556,882	(3.96%)	\$6,556,882	\$0	\$0
Other Taxes	1,173,770	779,935	(33.55%)	779,935	0	0
Licenses & Permits	969,609	1,230,685	26.93%	1,230,685	0	0
Intergovernmental	5,542,981	4,931,713	(11.03%)	4,931,713	0	0
Charges for Services	10,255,580	8,841,889	(13.78%)	3,272,405	5,746,502	(177,018)
Fines & Forfeitures	346,410	234,933	(32.18%)	234,933	0	0
Interest	201,321	51,976	(74.18%)	46,702	5,274	0
Miscellaneous	707,175	33,284	(95.29%)	23,842	0	9,442
Transfers	51,069	0	(100.00%)	0	0	0
<b>TOTAL REVENUE</b>	<b>\$26,075,143</b>	<b>\$22,661,297</b>	<b>(13.09%)</b>	<b>\$17,077,097</b>	<b>\$5,751,776</b>	<b>(\$167,576)</b>
<b>EXPENDITURES</b>						
Salaries & Wages	8,397,649	7,449,054	(11.30%)	6,508,060	826,945	114,049
Employee Benefits	5,783,382	5,629,269	(2.66%)	5,282,518	319,198	27,553
Contractual	1,111,722	932,409	(16.13%)	752,854	154,929	24,626
Utilities	695,446	386,920	(44.36%)	94,903	253,511	38,506
Commodities	1,817,206	1,716,544	(5.54%)	529,959	1,183,383	3,202
Capital	565,977	1,453,506	156.81%	0	1,453,506	0
Repair & Maintenance	1,256,873	1,094,048	(12.95%)	870,423	200,668	22,957
Transfers	719,495	499,194	(30.62%)	335,304	157,710	6,180
Debt Service	1,618,785	1,652,819	2.10%	0	196,336	1,456,483
<b>TOTAL EXPENDITURES</b>	<b>\$21,966,535</b>	<b>\$20,813,763</b>	<b>(5.25%)</b>	<b>\$14,374,021</b>	<b>\$4,746,186</b>	<b>\$1,693,556</b>
<b>SURPLUS / (DEFICIT)</b>	<b>4,108,607</b>	<b>1,847,534</b>	<b>(55.03%)</b>	<b>\$2,703,076</b>	<b>\$1,005,590</b>	<b>(\$1,861,132)</b>
<b>FUND BALANCE</b>						
Beginning of Period				\$12,448,550	\$4,188,287	(\$1,308,794)
End of Period				<b>\$15,151,626</b>	<b>\$5,193,877</b>	<b>(\$3,169,926)</b>



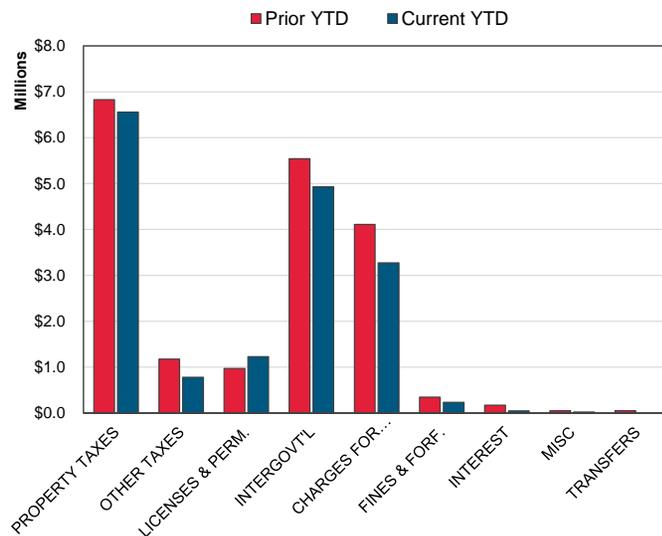
# General Fund | Financial Summary

For the Period Ending October 31, 2020

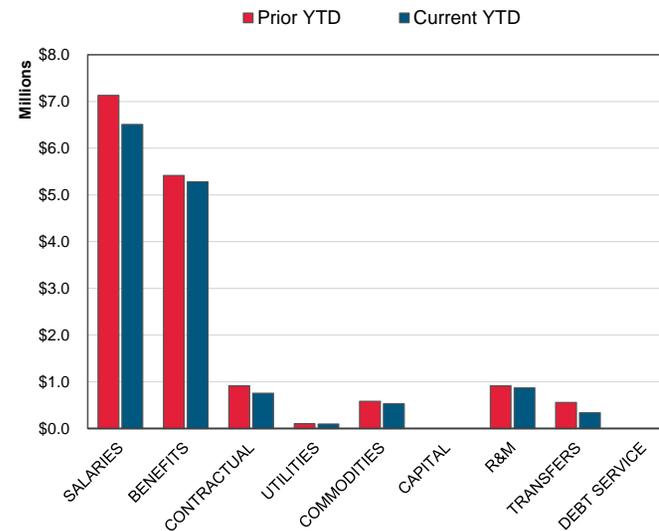


	YTD % of PY		YTD % of Budget	
	Prior YTD	Prior Year Actual	Actual	Budget
<b>REVENUES</b>				
Property Taxes	\$6,827,226	\$6,952,977	98.19%	\$6,556,882
Other Taxes	1,173,770	2,338,907	50.18%	779,935
Licenses & Permits	969,609	1,614,983	60.04%	1,230,685
Intergovernmental	5,542,981	10,953,224	50.61%	4,931,713
Charges for Services	4,111,701	7,548,332	54.47%	3,272,405
Fines & Forfeitures	346,410	673,754	51.41%	234,933
Interest	174,034	350,067	49.71%	46,702
Miscellaneous	50,357	402,863	12.50%	23,842
Transfers	51,069	102,137	50.00%	0
<b>TOTAL REVENUE</b>	<b>\$19,247,157</b>	<b>\$30,937,245</b>	<b>62.21%</b>	<b>\$17,077,097</b>
				<b>\$26,799,580</b>
				<b>63.72%</b>
<b>EXPENDITURES</b>				
Salaries & Wages	7,129,464	13,866,743	51.41%	6,508,060
Employee Benefits	5,415,230	7,786,750	69.54%	5,282,518
Contractual	914,184	2,503,680	36.51%	752,854
Utilities	104,301	240,569	43.36%	94,903
Commodities	582,826	1,187,663	49.07%	529,959
Capital	0	2,096	0.00%	0
Repair & Maintenance	912,107	1,754,484	51.99%	870,423
Transfers	558,500	2,504,067	22.30%	335,304
Debt Service	0	0		0
<b>TOTAL EXPENDITURES</b>	<b>\$15,616,613</b>	<b>\$29,846,052</b>	<b>52.32%</b>	<b>\$14,374,021</b>
				<b>\$28,800,858</b>
				<b>49.91%</b>
<b>SURPLUS / (DEFICIT)</b>	<b>\$3,630,544</b>	<b>\$1,091,193</b>		<b>\$2,703,076</b>
				<b>(\$2,001,278)</b>
<b>ENDING FUND BALANCE</b>	<b>\$14,987,902</b>			<b>\$15,151,626</b>

Revenues by Source | Prior YTD vs. Current YTD



Expenditures by Object: Prior YTD vs. Current YTD



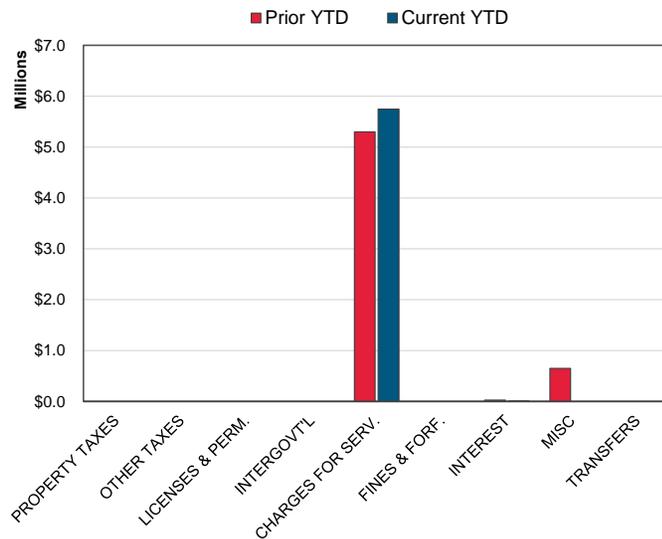
# Utility Fund | Financial Summary

For the Period Ending October 31, 2020

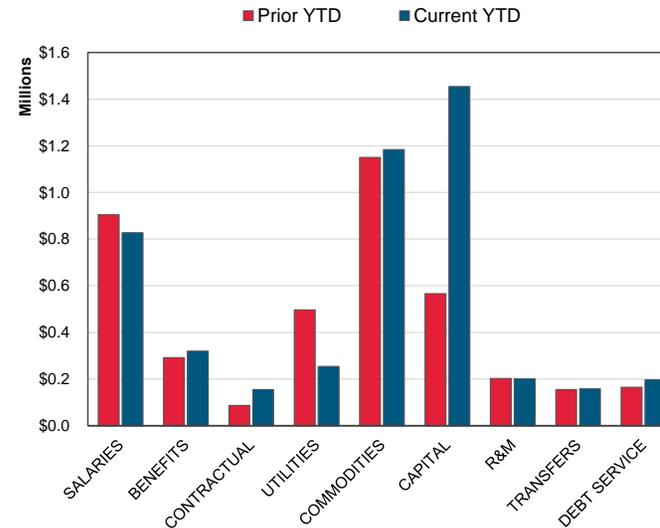


	Prior YTD	Prior Year Actual	YTD % of PY Actual	Current YTD	Annual Budget	YTD % of Budget
	<b>REVENUES</b>					
Property Taxes	\$0	\$0		\$0	\$0	
Other Taxes	0	0		0	0	
Licenses & Permits	0	0		0	0	
Intergovernmental	0	0		0	0	
Charges for Services	5,300,678	10,102,656	52.47%	5,746,502	10,328,375	55.64%
Fines & Forfeitures	0	0		0	0	
Interest	26,347	42,402	62.14%	5,274	25,000	21.10%
Miscellaneous	649,231	1,689,930	38.42%	0	1,000	0.00%
Transfers	0	0		0	0	
<b>TOTAL REVENUE</b>	<b>\$5,976,257</b>	<b>\$11,834,988</b>	<b>50.50%</b>	<b>\$5,751,776</b>	<b>\$10,354,375</b>	<b>55.55%</b>
<b>EXPENDITURES</b>						
Salaries & Wages	904,553	1,782,575	50.74%	826,945	1,704,540	48.51%
Employee Benefits	291,888	598,974	48.73%	319,198	637,074	50.10%
Contractual	87,122	300,685	28.97%	154,929	399,245	38.81%
Utilities	496,451	1,082,818	45.85%	253,511	1,043,050	24.30%
Commodities	1,149,901	2,495,985	46.07%	1,183,383	2,276,735	51.98%
Capital	565,977	2,773,352	20.41%	1,453,506	2,660,200	54.64%
Repair & Maintenance	202,107	434,000	46.57%	200,668	498,508	40.25%
Transfers	154,994	309,989	50.00%	157,710	315,419	50.00%
Debt Service	164,907	455,944	36.17%	196,336	1,123,639	17.47%
<b>TOTAL EXPENDITURES</b>	<b>\$4,017,901</b>	<b>\$10,234,321</b>	<b>39.26%</b>	<b>\$4,746,186</b>	<b>\$10,658,410</b>	<b>44.53%</b>
<b>SURPLUS / (DEFICIT)</b>	<b>\$1,958,355</b>	<b>\$1,600,667</b>		<b>\$1,005,590</b>	<b>(\$304,035)</b>	
<b>ENDING FUND BALANCE</b>	<b>\$4,545,975</b>			<b>\$5,193,877</b>		

Revenues by Source | Prior YTD vs. Current YTD



Expenditures by Object: Prior YTD vs. Current YTD



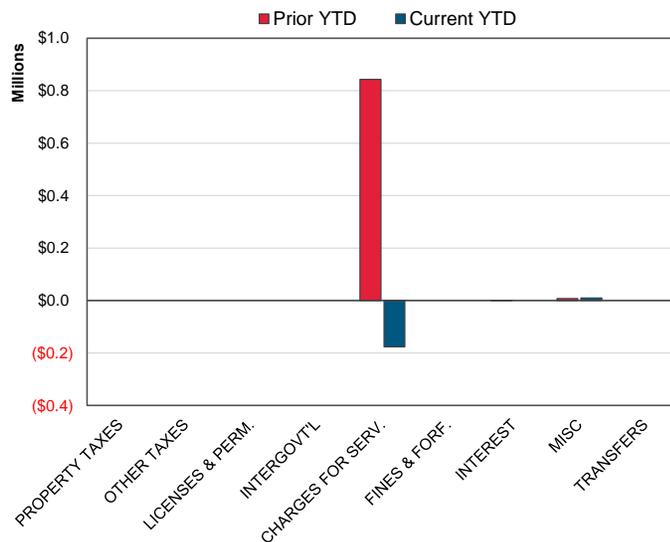
# Libertyville Sports Complex Fund | Financial Summary

For the Period Ending October 31, 2020

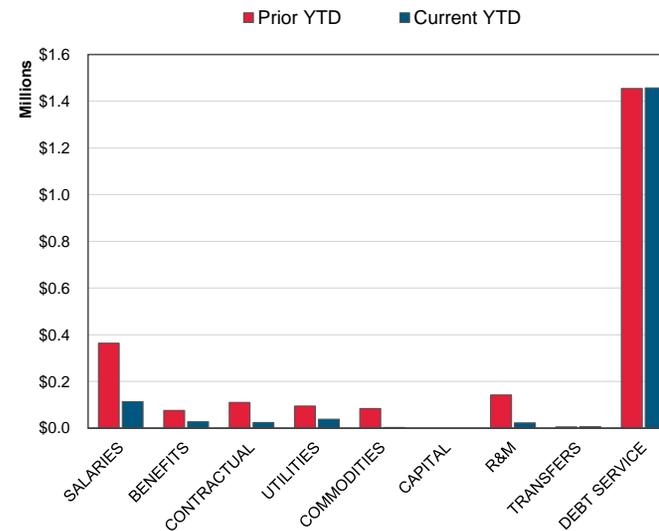


	Prior YTD	Prior Year Actual	YTD % of PY Actual	Current YTD	Annual Budget	YTD % of Budget
<b>REVENUES</b>						
Property Taxes	\$0	\$0		\$0	\$0	
Other Taxes	0	0		0	0	
Licenses & Permits	0	0		0	0	
Intergovernmental	0	0		0	0	
Charges for Services	843,201	2,086,888	40.40%	(177,018)	28,900	(612.52%)
Fines & Forfeitures	0	0		0	0	
Interest	940	1,230	76.40%	0	0	
Miscellaneous	7,588	21,666	35.02%	9,442	0	
Transfers	0	1,402,035	0.00%	0	1,839,178	0.00%
<b>TOTAL REVENUE</b>	<b>\$851,729</b>	<b>\$3,511,819</b>	<b>24.25%</b>	<b>(\$167,576)</b>	<b>\$1,868,078</b>	<b>(8.97%)</b>
<b>EXPENDITURES</b>						
Salaries & Wages	363,633	732,911	49.61%	114,049	160,548	71.04%
Employee Benefits	76,263	163,040	46.78%	27,553	49,156	56.05%
Contractual	110,416	325,025	33.97%	24,626	39,850	61.80%
Utilities	94,693	214,478	44.15%	38,506	80,670	47.73%
Commodities	84,479	195,060	43.31%	3,202	3,500	91.49%
Capital	0	125	0.00%	0	0	
Repair & Maintenance	142,658	310,316	45.97%	22,957	63,814	35.97%
Transfers	6,000	12,000	50.00%	6,180	12,360	50.00%
Debt Service	1,453,878	1,585,993	91.67%	1,456,483	1,458,180	99.88%
<b>TOTAL EXPENDITURES</b>	<b>\$2,332,021</b>	<b>\$3,538,947</b>	<b>65.90%</b>	<b>\$1,693,556</b>	<b>\$1,868,078</b>	<b>90.66%</b>
<b>SURPLUS / (DEFICIT)</b>	<b>(\$1,480,292)</b>	<b>(\$27,128)</b>		<b>(\$1,861,132)</b>	<b>\$0</b>	
<b>ENDING FUND BALANCE</b>	<b>(\$2,761,958)</b>			<b>(\$3,169,926)</b>		

**Revenues by Source | Prior YTD vs. Current YTD**



**Expenditures by Object: Prior YTD vs. Current YTD**

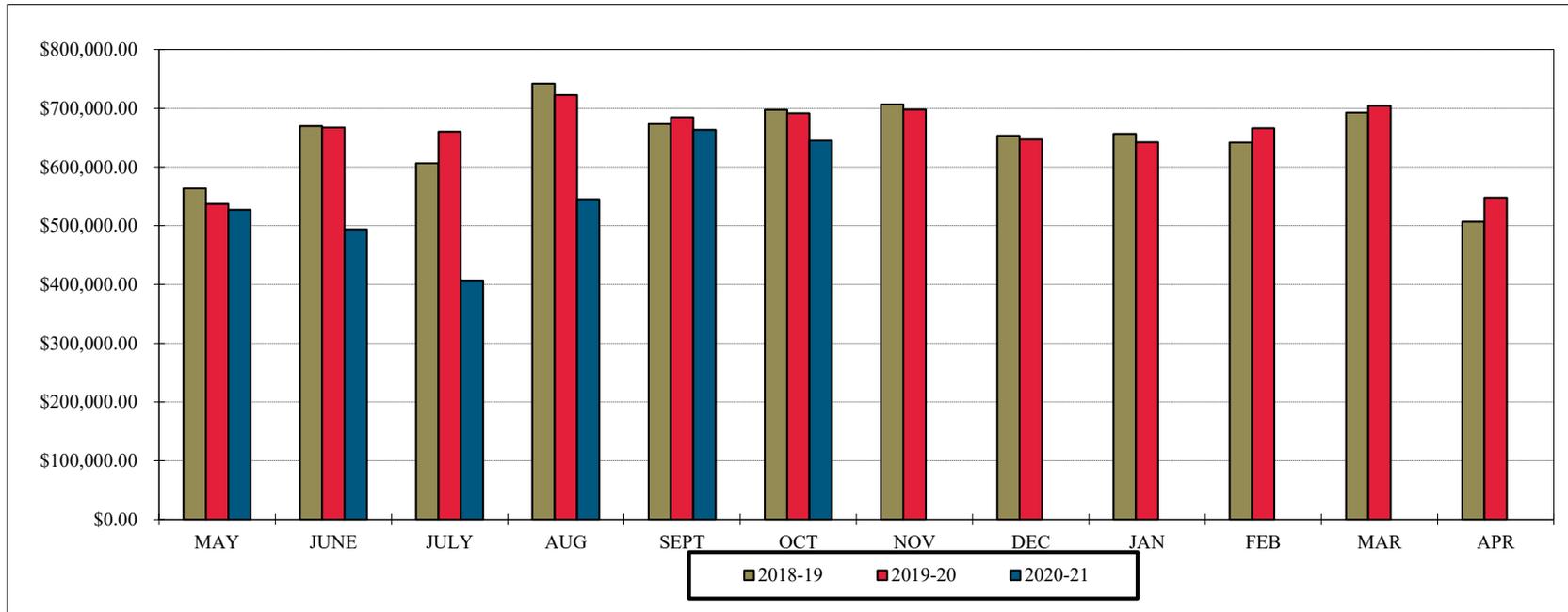




Village of Libertyville  
Three Year Sales Tax Analysis  
Oct 2020

\$7,884,415

Collected In	Rec'd In	2018-19	2019-20	2020-21	Year to Date			2020-21 vs 2018-19	2020-21 vs 2019-20	% of 2020-21 vs 2019-20	% of 2020-21 Budget
					2018-19	2019-20	2020-21				
MAR	MAY	\$563,299.44	\$537,036.71	\$527,183.88	\$563,299.44	\$537,036.71	\$527,183.88	(\$36,115.56)	(\$9,852.83)	-1.83%	6.69%
APR	JUNE	669,542.27	667,312.43	493,721.21	1,232,841.71	1,204,349.14	1,020,905.09	(\$211,936.62)	(\$183,444.05)	-15.23%	12.95%
MAY	JULY	606,569.54	660,064.89	407,132.43	1,839,411.25	1,864,414.03	1,428,037.52	(\$411,373.73)	(\$436,376.51)	-23.41%	18.11%
JUN	AUG	741,954.05	722,439.31	544,945.38	2,581,365.30	2,586,853.34	1,972,982.90	(\$608,382.40)	(\$613,870.44)	-23.73%	25.02%
JUL	SEPT	673,143.24	684,914.35	663,358.65	3,254,508.54	3,271,767.69	2,636,341.55	(\$618,166.99)	(\$635,426.14)	-19.42%	33.44%
AUG	OCT	697,623.63	691,655.24	644,933.12	3,952,132.17	3,963,422.93	3,281,274.67	(\$670,857.50)	(\$682,148.26)	-17.21%	41.62%
SEP	NOV	706,586.03	697,935.60		4,658,718.20	4,661,358.53					
OCT	DEC	653,215.37	646,953.66		5,311,933.57	5,308,312.19					
NOV	JAN	656,398.00	642,324.95		5,968,331.57	5,950,637.14					
DEC	FEB	641,827.60	666,210.23		6,610,159.17	6,616,847.37					
JAN	MAR	692,866.68	704,170.62		7,303,025.85	7,321,017.99					
FEB	APR	506,946.92	547,931.52		7,809,972.77	7,868,949.51					
		\$7,809,972.77	\$7,868,949.51	\$3,281,274.67							

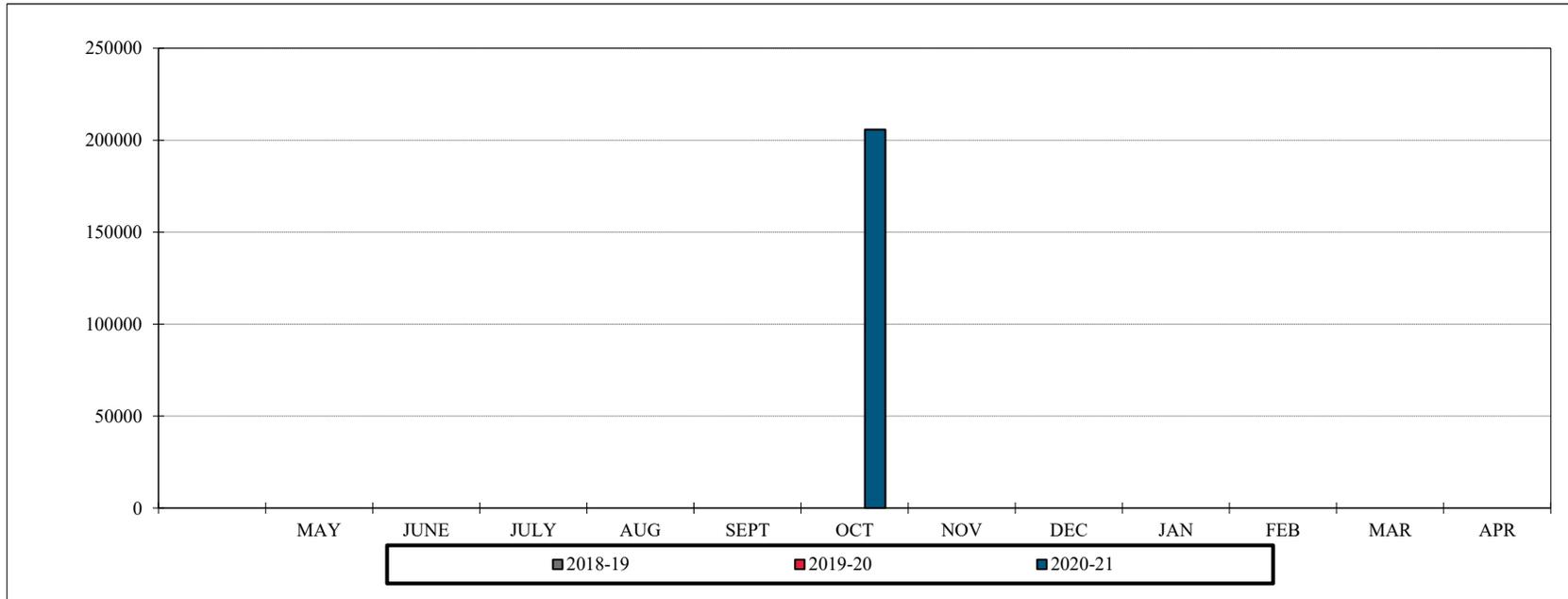




Village of Libertyville  
 Three Year Non-Home Rule Sales Tax Analysis  
 Oct 2020

\$0

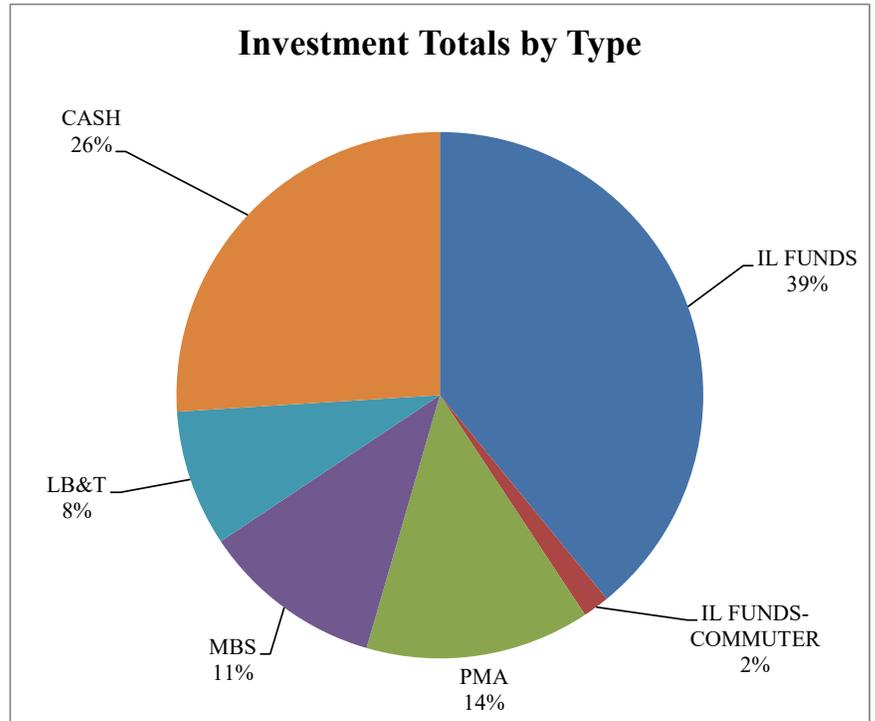
Collected In	Rec'd In	2018-19	2019-20	2020-21	Year to Date			2020-21 vs 2018-19	2020-21 vs 2019-20	% of 2020-21 vs 2019-20	% of 2020-21 Budget
					2018-19	2019-20	2020-21				
MAR	MAY	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!	#DIV/0!
APR	JUNE	-	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!
MAY	JULY	-	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!
JUN	AUG	-	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!
JUL	SEPT	-	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!
AUG	OCT	-	-	205,748.96	-	-	205,748.96	\$ 205,748.96	\$ 205,748.96	#DIV/0!	#DIV/0!
SEP	NOV	-	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!
OCT	DEC	-	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!
NOV	JAN	-	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!
DEC	FEB	-	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!
JAN	MAR	-	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!
FEB	APR	-	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!
		\$ -	\$ -	\$ 205,748.96							



# VILLAGE OF LIBERTYVILLE INVESTMENT SUMMARY

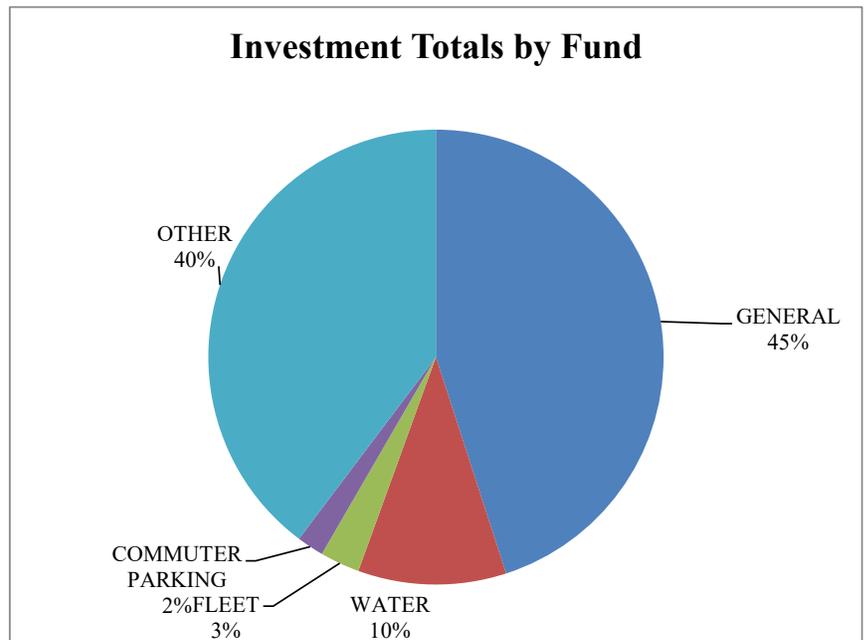
Cash and Investment Totals by Type  
(Selected Funds)  
October 31, 2020

IL FUNDS	\$	11,455,672.26
IL FUNDS-COMMUTER	\$	477,554.45
PMA	\$	4,041,567.61
MBS	\$	3,264,588.93
LB&T	\$	2,454,351.10
CASH	\$	7,621,614.00
	\$	<u>29,315,348.35</u>



Cash and Investment Totals by Fund  
(Selected Funds)  
October 31, 2020

GENERAL	\$	13,194,693.45
WATER	\$	3,086,113.89
FLEET	\$	825,541.40
COMMUTER PARKING	\$	563,661.47
OTHER	\$	11,645,338.14
	\$	<u>29,315,348.35</u>



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**MEMORANDUM**

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**TO:** CHAIRMAN MORAS AND FINANCE COMMITTEE

**FROM:** NICHOLAS MOSTARDO, FINANCE DIRECTOR

**SUBJECT:** TAX LEVY PRESENTATION – TAX YEAR 2020

**DATE:** 11/10/2020

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**Background**

Each year, the Village of Libertyville levies property taxes to support various portions of the Village's operations as well as outstanding general obligation debt. The Village Board typically approves the tax levy in December which is then filed with Lake County. The amounts levied by the Village are included in property tax bills distributed beginning in May during the subsequent year. In Illinois, property taxes are paid in arrears, meaning that the 2020 property tax levy will be paid in 2021.

Finance Director Mostardo will provide a presentation to the Village Board Committee of Whole/Finance Committee on November 10, 2020 about the proposed Tax Year 2020 tax levy.

**Analysis**

The Village Board normally begins discussing the upcoming tax levy in November. This is generally done in conjunction with the review of the updated Five-Year Financial Plan. The latter item was deferred to January due to the economic uncertainty surrounding the ongoing COVID-19 pandemic. However, due to less than expected public safety pension fund investment returns at the close of the fiscal year ended April 30, 2020, there is a need to dedicate a more substantial portion of the Tax Year 2020 levy to those purposes. As a result, review of the Five-Year Financial Plan not as consequential for the tax levy recommendation this year as it has been in the past.

**Recommendation**

1. Consider referring to the full Village Board a positive recommendation for a Tax Year 2020 estimated aggregate tax levy, after debt service abatements, of \$8,671,241. If accepted, a resolution formally estimating the Tax Year 2020 tax levy will be prepared for Village Board consideration on November 10, 2020.



# Committee of the Whole

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TAX LEVY PRESENTATION

NOVEMBER 10, 2020



# Tax Levy - Introduction

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- The Village's tax levy supports:
  - Approximately 25% of General Fund expenditures
  - Special recreation
  - Debt service
  - Public safety pensions
- Timeline
  - Estimate of levy – November 10, 2020
  - Public hearing on levy – November 24, 2020
  - Adoption of levy – December 8, 2020
  - Filing the levy – No later than December 22, 2020
- The tax levy presentation is normally part of the Five-Year Financial Forecast discussion, which was postponed to January due to uncertainties pertaining to the COVID-19 pandemic
- Due to investment returns as of April 30, 2020, the public safety pension funds require a higher contribution level for TY 2020
  - As a result, levy options are limited if the Board wishes to preserve the existing amount available for general corporate purposes



# Tax Levy - 101

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- Property Tax Extension Limitation Law (PTELL)
  - Limits the rate of growth by CPI
  - Applied to Libertyville since 1991
- Taxes subject to tax cap:
  - Corporate, insurance, audit, retirement
- Taxes not subject to tax cap:
  - SRA, debt service
- Components of a PTELL levy:
  - EAV
  - New growth
  - CPI
  - Limiting Rate

$$\text{PTELL Limiting Rate} = \frac{\text{Prior Year Levy} \times 1 + \text{CPI \% increase}}{\text{Equalized Assessed Value} - \text{New Property EAV, Recovered TIF Increment EAV, Annexed Property EAV, Expired Incentives EAV} + \text{Disconnected Property EAV}}$$



# Tax Levy – Tax Year 2020 (Payable in 2021)

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- PTELL CPI: 2.3%
- Taxable EAV: \$1,287,215,401 (Up 0.4% from prior year)
- New Growth: \$8,610,145 (Estimate provided by Lake County)
- Estimated limiting rate: 0.525460 (\$0.525460/\$100 EAV)
- Proposed changes:
  - Capture 2.3% CPI increase and all new growth
  - PTELL levy: \$6,763,798, increase of 2.989% (\$196,284) over TY 2019
  - Total levy: \$8,671,241, increase of 2.315% (\$196,173) over TY 2019
  - Continuing levying \$50,000 in SRA levy for ADA playground improvements
  - Timber Creek SSA: \$21,140 – No change
  - Concord SSA: \$23,040 – No change
- Total Village levy increase: \$18 (1.6%) for resident with a home valued at \$500,000

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## VILLAGE OF LIBERTYVILLE 2020 VILLAGE PROPERTY TAX LEVY ALTERNATIVES



GENERAL FUND LEVY SUBJECT TO PTELL CAP			2020 ALTERNATIVES							
2019			2.3% CPI + New Growth		1% CPI + New Growth			New Growth Only		
FUND	EXTENSION	RATE	LEVY	RATE	LEVY	RATE	LEVY	RATE		
CORPORATE	1,179,036	0.091940	1,194,735	0.092815	1,108,782	0.086138	1,042,665	0.081002		
FIRE	753,011	0.058719	753,000	0.058498	753,000	0.058498	753,000	0.058498		
STREETS/BRIDGES	0	0.000000	0	0.000000	0	0.000000	0	0.000000		
PARKS	378,012	0.029477	378,000	0.029366	378,000	0.029366	378,000	0.029366		
RECREATION	378,012	0.029477	378,000	0.029366	378,000	0.029366	378,000	0.029366		
IMRF/FICA	334,206	0.026061	334,200	0.025963	334,200	0.025963	334,200	0.025963		
Sub-Total General Fund	3,022,276	0.235674	3,037,935	0.236008	2,951,982	0.229331	2,885,865	0.224194		
				0.52%			-2.33%	-4.51%		
POLICE PENSION	2,058,132	0.160491	2,084,873	0.161968	2,084,873	0.161968	2,084,873	0.161968		
FIRE PENSION	1,487,106	0.115963	1,640,990	0.127484	1,640,990	0.127484	1,640,990	0.127484		
Sub-Total Pensions	3,545,238	0.276454	3,725,863	0.289451	3,725,863	0.289451	3,725,863	0.289451		
				5.09%			5.09%	5.09%		
Sub-total General & Pensions (Tax Cap Calculation)	6,567,514	0.512128	6,763,798	0.525460	6,677,845	0.518782	6,611,728	0.513646		
			196,284	increase over FY21	110,331	increase over FY21	44,214	increase over FY21		
<b>OTHER LEVIES NOT SUBJECT TO PTELL CAP</b>										
SRA	194,001	0.015128	194,000	0.015071	194,000	0.015071	194,000	0.015071		
BONDS	1,713,552	0.133621	4,376,635	0.340008	4,376,635	0.340008	4,376,635	0.340008		
GROSS LEVY	8,475,067	0.660877	11,334,433	0.880539	11,248,480	0.873862	11,182,363	0.868725		
Abatements:										
Township Streets/Bridge			0	0.000000	0	0.000000	0	0.000000		
Bonds (See Below)			-2,663,193	-0.206896	-2,663,193	-0.206896	-2,663,193	-0.206896		
<b>TOTAL LEVY</b>	8,475,067	0.660877	8,671,241	0.673643	8,585,288	0.666966	8,519,171	0.661829		
			196,173	increase over FY20	110,220	increase over FY20	44,103	increase over FY20		
<b>SSA LEVIES</b>										
SSA 1	21,140		21,140		21,140		21,140			
SSA 2	23,040		23,040		23,040		23,040			



# Tax Levy - Benchmarks

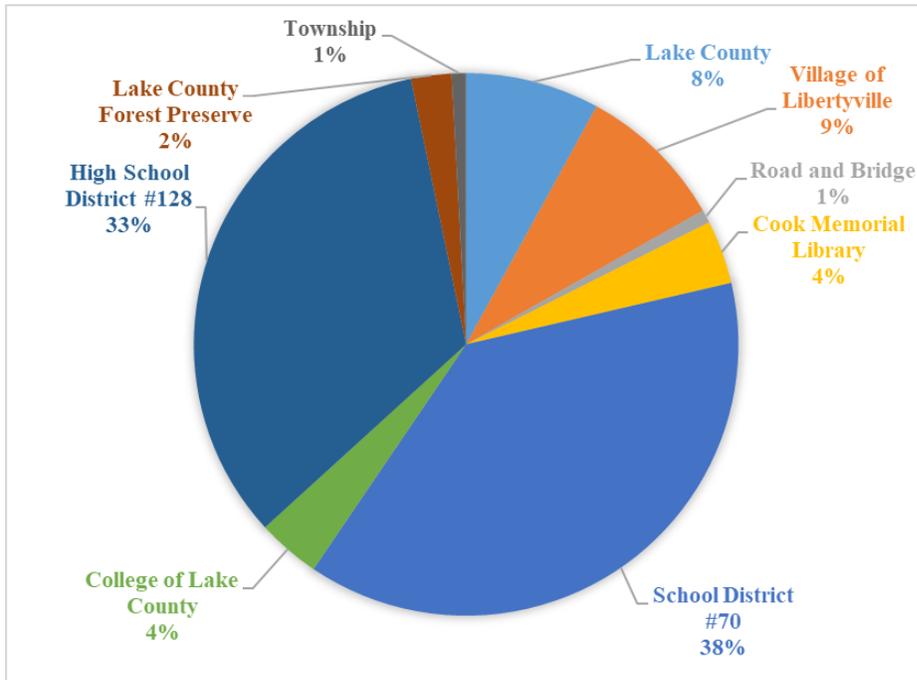
**IMPACT ON A LIBERTYVILLE HOMEOWNER**  
 (Assumes a 0.4% increase in the Equalized Assessed Valuation)  
 EA V is Approximately 1/3 Market Value

	2019 Home Value	2019 EA V	2019 VILLAGE TAX	2020 Estimated EA V	2020 EST TAX	DOLLAR INCREASE	% CHANGE
<b>MAXIMUM LEVY ALTERNATIVE 1.9% CPI GROWTH AND NEW GROWTH</b>	\$500,000	\$166,667	\$1,101	\$167,293	\$1,119	\$18	1.6%
<b>1% OF CPI GROWTH AND NEW GROWTH</b>	\$500,000	\$166,667	\$1,101	\$167,293	\$1,108	\$7	0.6%
<b>NEW GROWTH ONLY</b>	\$500,000	\$166,667	\$1,101	\$167,293	\$1,100	(\$2)	-0.1%



# Tax Levy - Benchmarks

- Libertyville continues to have one of the lowest tax rates amongst its neighboring communities.



## LEVY YEAR 2019 TAX RATES

<u>Community</u>	<u>Village Rate</u>	<u>Fire District</u>	<u>Park District</u>	<u>Total Tax Rate</u>	<u>Tax Paid on a \$500,000 Home</u>
Round Lake Beach	0.717119	0.966072	0.682170	2.365361	<b>\$3,942</b>
Mundelein	1.426002	-	0.458187	1.884189	<b>\$3,140</b>
Grayslake	0.561657	0.826573	0.473303	1.861533	<b>\$3,103</b>
Deerfield	0.608281	0.637855	0.566983	1.813119	<b>\$3,022</b>
Lindenhurst	0.352855	0.757880	0.450356	1.561091	<b>\$2,602</b>
Antioch	0.979004	0.534706	-	1.513710	<b>\$2,523</b>
Lake Forest	1.372109	-	-	1.372109	<b>\$2,287</b>
Highland Park	0.809013	-	0.559649	1.368662	<b>\$2,281</b>
Buffalo Grove	0.890471	-	0.464565	1.355036	<b>\$2,258</b>
Lake Bluff	0.751047	-	0.476770	1.227817	<b>\$2,046</b>
Lincolnshire	0.241000	0.750115	-	0.991115	<b>\$1,652</b>
Vernon Hills	-	0.565547	0.420260	0.985807	<b>\$1,643</b>
<b>Libertyville</b>	<b>0.660877</b>	<b>-</b>	<b>-</b>	<b>0.660877</b>	<b>\$1,101</b>
Gurnee	-	-	0.494028	0.494028	<b>\$823</b>



# Questions

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**MEMORANDUM**

**TO:** CHAIRMAN MORAS AND FINANCE COMMITTEE

**FROM:** NICHOLAS MOSTARDO, FINANCE DIRECTOR

**SUBJECT:** INTERGOVERNMENTAL RISK MANAGEMENT AGENCY (IRMA) FINANCIAL RESERVES

**DATE:** 10/15/2019

Background

It is important to periodically review reserve balances held on file with the Intergovernmental Risk Management Agency (IRMA). The purpose of this memorandum is to update the Finance Committee on the current financial status of the Village’s interest in the Pool for the IRMA fiscal year ended 12/31/2019.

Analysis

In 2018, the Finance Committee adopted a reserve level for the Village’s Excess Surplus Fund of between 70% - 150% of the average surplus of a selected sample of various IMRA members of comparable size. This was converted to an actual dollar amount of \$950,121 - \$2,035,973. As of 12/31/2019 (with January 2020 invoice contribution accrual of \$155,000), the Village was within policy at a level of \$1,387,470. The updated financial figures related to the Excess Surplus Fund are listed below:

Calculation of Reserves Under (Over) Proposed Policy Amounts:

Account	12/31/2019 Balance (with accruals)	70% of Average	150% of Average
Excess Surplus	\$ 1,387,470	\$ 950,121	\$ 2,035,973

Calculation of Comparable Sized Community Reserves:

	Fiscal 2019 Reserve	Fiscal 2019 Surplus	Reserve Percentage
Hanover Park	\$ 825,382	\$ 1,650,800	200%
Lake Zurich	\$ 485,802	\$ 620,733	128%
Wilmette	\$ 1,321,701	\$ 1,786,752	135%
Morton Grove	\$ 1,276,640	\$ 826,841	65%
Northbrook	\$ 1,566,276	\$ 1,398,254	89%
Villa Park	\$ 1,383,550	\$ 1,488,192	108%
Oak Brook	\$ 1,556,452	\$ 277,464	18%
Park Forest	\$ 860,139	\$ 1	0%
Total	\$ 9,275,942	\$ 8,049,037	87%
Average	\$ 1,159,493	\$ 1,006,130	87%
Libertyville	\$ 1,564,209	\$ 1,387,470	89%

The Village's excess surplus balance at 12/31/2019 (with January 2020 invoice contribution accrual of \$155,000) of \$1,387,470, is 89% of its Member Reserve Account. As you may recall, the Member Reserve Account is used to reflect surpluses within the membership and for payment of supplemental assessments. The Member Reserve Account is under control of the IRMA Board of Directors and does not appear as an asset on the Village's financial statements. On the other hand, balances in the Excess Surplus Fund are those in excess of the Membership Reserve Account requirements and are assets available to the Village at any time.

Staff have received the preliminary 2021 IRMA contribution. Due to experience history attributable to the Village's losses, the contribution will be rising 27%, or \$214,767 (\$795,424 to \$1,010,191). In 2020, a deductible credit of \$182,948 was applied to the contribution amount, bringing it \$612,476. The Village utilized \$155,000 in excess reserves for a total 2020 contribution of \$457,476.

For 2021, the projected deductible credit amount is not yet available, but for purposes of these projects, that same amount as 2020 will be utilized. The gross contribution cost of \$1,010,191 will be offset by an estimated deductible credit of \$182,948 for a net contribution of \$827,243.

When the FY 2020-2021 budget amendment was approved in October 2020, part of the expense reduction strategy to balance out revenue losses on account of COVID-19 was to utilize the IRMA Excess Reserve Fund to cover the annual contributions for the General Fund and Sports Complex Fund. The enterprise and internal service funds would continue to pay their contributions directly from their original operating budgets. A total of \$619,245 was originally budgeted in FY 2020-2021 for the annual IRMA contribution. This amount was revised to \$102,744, which is the remaining FY 2020-2021 budget capacity for the annual contribution. This means that a total amount of \$724,499 (\$827,243 less \$102,744) of Excess Surplus Fund will need to be utilized for the upcoming January 2021 annual contribution.

The current excess surplus amount of \$1,387,470 with the \$724,499 drawdown equals \$662,971. That amount sits outside of the current policy amount range of \$950,121 - \$2,035,973. However, IRMA has informed members that it intends to distribute excess earnings totaling an estimated \$20,000,000 to members in December 2020. The Village's share of these earnings should help its Excess Surplus Fund balance move back within policy limits. Once the final excess surplus credit is announced by IRMA, staff will provide the Committee a final reconciliation of excess surplus balance versus the policy amounts.

#### Recommendation

1. Direct staff to utilize \$724,499 in IRMA Excess Surplus Fund resources to offset the upcoming 2021 annual Village contribution.

#### Attachments

1. IRMA Member Reserve Balances
2. IRMA Excess Reserve Balances

**Intergovernmental Risk Management Agency**

**Members' Reserve at 12/31/19**

<b>MEMBER</b>	<b>Members' Reserve 12/31/2018</b>	<b>Contrib to/ Withdraw from/ Members' Reserve</b>	<b>Adjust Contingency Fund</b>	<b>Interest Income Credit</b>	<b>Transfer from Amounts Due Members 1985 - 2014</b>	<b>Investment Income (Loss) 2019</b>	<b>Members' Reserve 12/31/2019</b>
Addison	977,666		37,332	(289,863)	346,924	216,833	1,288,891
Arlington Heights	303,647		15,380	(90,027)	-	68,153	297,154
Barrington	761,262		42,116	(225,703)	272,259	171,625	1,021,558
Bartlett	764,721		38,122	(226,728)	101,223	171,511	848,849
Bartlett FPD	136,742		8,547	(40,542)	95,268	31,038	231,054
Berkeley	280,515		12,965	(83,169)	57,511	62,696	330,518
Bloomington	683,674		34,971	(202,699)	367,181	153,523	1,036,650
Brookfield	227,932		14,067	(67,578)	305,445	51,698	531,564
Burr Ridge	296,488		9,217	(87,904)	241,047	65,308	524,156
Carol Stream	542,643		21,870	(160,885)	246,866	120,596	771,090
Carol Stream FPD	170,551		9,569	(50,566)	145,127	38,479	313,160
Cary	296,041		12,476	(87,772)	198,770	65,908	485,423
Cary Library	63,067		2,538	(18,698)	31,631	14,015	92,552
Clarendon Hills	329,209		15,769	(97,606)	69,867	73,697	390,937
Countryside	470,031		22,083	(139,357)	237,373	105,130	695,260
Crete	201,880		12,719	(59,854)	100,524	45,844	301,113
Crystal Lake	781,323		29,463	(231,650)	306,031	173,207	1,058,373
Darien	427,455		21,397	(126,734)	250,284	95,888	668,290
East Hazel Crest	100,100		4,013	(29,678)	19,334	22,241	116,010
Flossmoor	201,161		12,864	(59,641)	72,203	45,722	272,309
Glencoe	490,170		26,079	(145,328)	169,890	110,286	651,096
Hanover Park	739,126		33,667	(219,140)	106,637	165,091	825,382
Hazel Crest	440,166		17,896	(130,502)	308,989	97,855	734,403
Hillside	378,681		23,751	(112,273)	324,533	85,971	700,663
Hinsdale	731,826		34,230	(216,975)	338,495	163,652	1,051,227
Homewood	398,966		25,513	(118,287)	366,935	90,681	763,808
Indian Head Park	104,648		6,664	(31,026)	15,656	23,779	119,721
Kenilworth	154,457		7,985	(45,794)	99,916	34,702	251,267
LaGrange	563,038		24,514	(166,932)	241,227	125,518	787,365
LaGrange Park	316,662		13,620	(93,885)	194,265	70,558	501,219
Lake Bluff	363,214		14,672	(107,687)	185,991	80,727	536,917
Lake Forest	1,171,705		55,852	(347,393)	678,018	262,242	1,820,424
Lake in the Hills	413,778		16,544	(122,679)	154,947	91,929	554,519
Lake Zurich	424,460		27,183	(125,846)	63,520	96,484	485,802
Lemont	510,227		23,808	(151,274)	250,571	114,085	747,416
Libertyville	1,018,593		51,367	(301,997)	567,671	228,574	1,564,209
Lincolnwood	594,635		37,790	(176,300)	259,949	135,104	851,179
Lisle	786,042		33,328	(233,049)	414,348	175,041	1,175,710
LTACC	-	3,068	-	-	-	655	3,723
Morton Grove	983,282		43,606	(291,528)	321,908	219,373	1,276,640
Mount Prospect	33,148	101,446	1,314	(9,828)	-	29,034	155,114
Mundelein	825,980		29,283	(244,890)	268,231	182,709	1,061,312
NEMRT	124,692		5,811	(36,969)	54,327	27,879	175,741
NIPSTA	64,536		2,516	(19,134)	43,979	14,324	106,222
Northbrook	1,032,803		40,256	(306,210)	570,190	229,237	1,566,276
Northfield	366,987		17,443	(108,806)	165,960	82,125	523,710
Oak Brook	965,742		47,232	(286,328)	613,405	216,401	1,556,452
Olympia Fields	123,472		7,884	(36,608)	48,477	28,061	171,287
Palos Heights	481,779		23,412	(142,840)	230,150	107,923	700,424
Palos Park	210,362		9,542	(62,369)	101,674	46,978	306,188
Park Forest	675,264		42,940	(200,205)	188,711	153,429	860,139

Intergovernmental Risk Management Agency

Members' Reserve at 12/31/19 (continued)

MEMBER	Members' Reserve 12/31/2018	Contrib to/ Withdraw from/ Members' Reserve	Adjust Contingency Fund	Interest Income Credit	Transfer from Amounts Due Members 1985 - 2014	Investment Income (Loss) 2019	Members' Reserve 12/31/2019
Richton Park	327,741		15,968	(97,170)	163,776	73,426	483,741
River Forest	469,017		29,727	(139,056)	53,237	106,546	519,470
Riverside	342,555		16,156	(101,562)	193,763	76,631	527,543
Rolling Meadows	1,120,432		53,362	(332,191)	491,438	250,756	1,583,797
Roselle	340,195		20,906	(100,863)	135,844	77,142	473,225
Stickney	86,899		5,218	(25,764)	137,658	19,679	223,689
Sugar Grove	245,511		9,997	(72,790)	43,415	54,584	280,717
Villa Park	1,086,825		45,697	(322,227)	331,316	241,939	1,383,550
West Central Consol Comm	3,268	5,000	130	(969)	-	1,794	9,222
West Chicago	819,394		31,294	(242,938)	351,741	181,732	1,141,223
West Chicago FPD	147,417		9,512	(43,707)	96,586	33,525	243,333
West Dundee	350,572		16,194	(103,939)	63,596	78,352	404,775
Western Springs	278,616		18,101	(82,605)	178,596	63,387	456,094
Westmont	613,223		26,004	(181,811)	99,890	136,557	693,864
Willowbrook	350,446		15,074	(103,902)	182,766	78,086	522,469
Wilmette	929,599		46,025	(275,612)	413,267	208,422	1,321,701
Winfield	228,320		9,386	(67,693)	150,412	50,781	371,205
Winfield FPD	98,042		4,553	(29,068)	54,814	21,917	150,259
Woodridge	619,799		26,934	(183,761)	293,928	138,161	895,061
<b>Subtotal</b>	<b>31,962,417</b>	<b>109,514</b>	<b>1,523,421</b>	<b>(9,476,369)</b>	<b>14,249,478</b>	<b>7,176,938</b>	<b>45,545,399</b>
<b>Withdrawn Members:</b>							
Bannockburn	27,508		848		22,443	6,058	56,857
Bensenville	102,707		3,865		10,496	22,767	139,834
Bloomington FPD	15,500		609		-	3,441	19,550
Buffalo Grove	1,145,602	(11,821)	43,150		334,012	251,426	1,762,369
Burnham	17,214		673		12,281	3,821	33,989
Carpentersville	63,412		2,513		595	14,083	80,603
Country Club Hills	(36,827)		776		2,290	-	(33,761)
Downers Grove	92,547		3,147		-	20,443	116,137
East Dundee	25,199		935		4,834	5,583	36,551
Glenbard	20,802		818		5	4,619	26,244
Glendale Heights	111,625		4,172		-	24,738	140,535
Glen Ellyn	78,228		2,675		872	17,283	99,058
Highland Park	55,898		1,321		26,110	12,224	95,553
Justice-WS Water	25,073		841		15,170	5,536	46,620
Lombard	127,867		4,526		1,701	28,283	162,378
Niles	111,387		3,922		-	24,634	139,944
Northwest Water	45,277		1,668		11,121	10,029	68,094
Palatine	(150,620)		3,872		33,143	-	(113,605)
Prospect Heights	49,485		1,629		42,154	10,919	104,187
South Elgin	23,649		937		-	5,252	29,838
South Elgin FPD	900		34		-	200	1,134
Tinley Park	883,795	731,752	41,969	(262,032)	371,580	354,093	2,121,157
Westchester	207,765	141,539	13,479	(61,599)	69,889	77,501	448,574
Wheeling	66,026		2,264		-	14,589	82,879
Willow Springs	13,937		531		963	3,091	18,523
Wood Dale	1,149,719	(1,034,851)	37,559		101,852	32,563	286,842
<b>Subtotal</b>	<b>4,273,675</b>	<b>(173,380)</b>	<b>178,734</b>	<b>(323,631)</b>	<b>1,061,510</b>	<b>953,175</b>	<b>5,970,083</b>
<b>TOTAL:</b>	<b>36,236,092</b>	<b>(63,866)</b>	<b>1,702,155</b>	<b>(9,800,000)</b>	<b>15,310,988</b>	<b>8,130,114</b>	<b>51,515,482</b>

**Intergovernmental Risk Management Agency**

**Excess Surplus Fund at 12/31/19**

<b>MEMBER</b>	<b>Balance at 12/31/2018</b>	<b>Applied to Contribution/ Transfers/ Refunds 2019</b>	<b>Interest Income Credit</b>	<b>Investment Income (Loss) 2019</b>	<b>Balance at 12/31/2019</b>
Addison	262,041	(262,041)	289,863	0	289,863
Arlington Hts	35,585		90,027	7,561	133,172
Barrington	1,431,544	(390,846)	225,703	221,111	1,487,511
Bartlett	267,592	(267,592)	226,728	(0)	226,728
Bartlett FPD	59,998	(10,000)	40,542	10,623	101,162
Berkeley	189,608	(12,547)	83,169	37,619	297,849
Bloomington	245,470	(242,470)	202,699	637	206,336
Brookfield	580,446	(364,955)	67,578	45,784	328,853
Burr Ridge	864,467	(376,070)	87,904	103,767	680,068
Carol Stream	1,145,316	(88,734)	160,885	224,486	1,441,954
Carol Stream FPD	413,739		50,566	87,905	552,209
Cary	1,084,701		87,772	230,460	1,402,933
Cary Library	63,657	(13,601)	18,698	10,635	79,390
Clarendon Hills	299,265	(10,400)	97,606	61,373	447,844
Countryside	813,076		139,357	172,749	1,125,183
Crete	341,503	(30,000)	59,854	66,183	437,541
Crystal Lake	1,532,869		231,650	325,679	2,090,199
Darien	613,901		126,734	130,432	871,067
East Hazel Crest	29,986	(30,056)	29,678	(15)	29,593
Flossmoor	152,437	(56,068)	59,641	20,475	176,484
Glencoe	1,148,369	(125,790)	145,328	217,261	1,385,168
Hanover Park	1,250,786	(70,000)	219,140	250,875	1,650,800
Hazel Crest	125,617	(125,617)	130,502	0	130,503
Hillside	166,716	(166,716)	112,273	(0)	112,273
Hinsdale	240,271	(240,270)	216,975	0	216,976
Homewood	733,713		118,287	155,888	1,007,888
Indian Head Park	235,350		31,026	50,004	316,380
Kenilworth	184,546	(5,000)	45,794	38,147	263,487
LaGrange	1,057,691	(51,771)	166,932	213,722	1,386,574
LaGrange Park	322,479		93,885	68,515	484,879
Lake Bluff	102,988	(102,988)	107,687	0	107,688
Lake Forest	2,392,200		347,393	508,257	3,247,850
Lake in the Hills	272,576	(49,000)	122,679	47,502	393,757
Lake Zurich	435,524	(22,758)	125,846	87,698	626,309
Lemont	638,971	(270,335)	151,274	78,322	598,233
Libertyville	1,168,101	(145,000)	301,997	217,372	1,542,470
Lincolnwood	970,252		176,300	206,144	1,352,696
Lisle	821,602	(107,160)	233,049	151,793	1,099,284

**Intergovernmental Risk Management Agency**

**Excess Surplus Fund at 12/31/19 (continued)**

<b>MEMBER</b>	<b>Balance at 12/31/2018</b>	<b>Applied to Contribution/ Transfers/ Refunds 2019</b>	<b>Interest Income Credit</b>	<b>Investment Income (Loss) 2019</b>	<b>Balance at 12/31/2019</b>
LTACC	0		0	0	0
Morton Grove	988,938	(300,000)	291,528	146,375	1,126,841
Mount Prospect	0		9,828	0	9,828
Mundelein	205,545	(205,545)	244,890	0	244,891
NEMRT	136,246		36,969	28,947	202,162
NIPSTA	27,671	(28,056)	19,134	(82)	18,667
Northbrook	985,045	(84,364)	306,210	191,362	1,398,254
Northfield	690,949	(160,000)	108,806	112,808	752,563
Oak Brook	555,119	(315,000)	286,328	51,017	577,464
Olympia Fields	55,339	(55,339)	36,608	(0)	36,608
Palos Heights	305,823	(65,000)	142,840	51,166	434,829
Palos Park	188,659	(46,983)	62,369	30,101	234,147
Park Forest	301,408	(301,408)	200,205	0	200,206
Richton Park	84,490	(83,430)	97,170	225	98,456
River Forest	1,299,492	(31,895)	139,056	269,319	1,675,972
Riverside	589,065		101,562	125,155	815,783
Rolling Meadows	1,922,860	(110,200)	332,191	385,125	2,529,976
Roselle	146,747	(146,747)	100,863	0	100,863
Stickney	103,530		25,764	21,996	151,291
Sugar Grove	256,832	(69,733)	72,790	39,752	299,642
Tinley Park	469,721	(731,752)	262,032	0	0
Villa Park	1,260,471	(124,026)	322,227	241,454	1,700,126
West Central (WC3)	0		969	0	969
West Chicago	444,367	(100,000)	242,938	73,166	660,471
West Chicago FPD	428,782	(45,676)	43,707	81,396	508,209
West Dundee	606,910	(57,186)	103,939	116,797	770,460
Westchester	94,609	(156,208)	61,599	0	0
Western Springs	318,935	(159,979)	82,605	33,773	275,334
Westmont	642,625	(50,888)	181,811	125,723	899,271
Willowbrook	700,633		103,902	148,859	953,394
Wilmette	1,865,883	(212,245)	275,612	351,339	2,280,588
Winfield	233,706	(116,595)	67,693	24,882	209,686
Winfield FPD	31,961	(31,961)	29,068	0	29,068
Woodridge	189,056	(86,413)	183,761	21,808	308,212
<b>Totals</b>	<b>38,826,373</b>	<b>(7,514,414)</b>	<b>9,800,000</b>	<b>6,721,424</b>	<b>47,833,383</b>