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***LAKE COUNTY PUBLIC WATER DISTRICT
SUPPLEMENTAL INFORMATION
FOR THE YEARS ENDED APRIL 30, 2020 AND 2019***

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LAKE COUNTY PUBLIC WATER DISTRICT

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Lake County Public Water District
Zion, Illinois

We have submitted under separate cover the financial statements of the Lake County Public Water District for the years ended April 30, 2020 and 2019. Our report thereon dated June 26, 2020 follows:

We have audited the accompanying financial statements of the Lake County Public Water District as of and for the years ended April 30, 2020 and 2019, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lake County Public Water District of the City of Zion, Illinois, as of April 30, 2020 and 2019, and the changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Lake County Public Water District's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 other supplementary information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Lake County Public Water District's basic financial statements. The statistical tables and graphs are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

The supplementary information submitted herewith is as follows:

1. Computation of revenue delivery requirement and refund or billing for District customers for the year ended April 30, 2020.
2. Computations of availability and repair and replacement charges for the year ended April 30, 2021.
3. Computation of and rates for delivery of water for District customers for the year ended April 30, 2021.

Eder, Casella & Co.
EDER, CASELLA & CO.
Certified Public Accountants

Gurnee, Illinois
June 26, 2020

LAKE COUNTY PUBLIC WATER DISTRICT
 COMPUTATION OF REVENUE DELIVERY REQUIREMENT
 FOR DISTRICT CUSTOMERS
 YEAR ENDED APRIL 30, 2020

Revenue Requirement	\$ 1,781,140
Operation and Maintenance Expenses	\$ 1,781,140
Less - Depreciation on Plant and Equipment Financed by Bond Proceeds	(409,092)
Less - Depreciation on Plant and Equipment Financed by Renewal and Replacement	(76,604)
Less - Depreciation on Plant and Equipment Financed by Grants	(1,650)
Plus - Amortization of Post-Employment Benefits	4,350
Less - Repairs and Replacement Expenses	(27,028)
Revenue Delivery Requirement for District Customers	<u>\$ 1,271,116</u>

Customer	%	Delivered Gallons of Water (000)	Computed Revenue Delivery Requirement	Revenues Billed for Period	Amount Due or (Refund)
City of Zion	78.88%	\$ 674,595	\$ 1,002,713	\$ 1,097,100	\$ (94,387)
Village of Winthrop Harbor	19.72%	168,677	250,720	274,324	(23,604)
State of Illinois					
Marina	0.62%	5,300	7,879	9,484	(1,605)
Illinois Beach State Park	0.77%	6,597	9,804	11,021	(1,217)
	<u>100.00%</u>	<u>\$ 855,169</u>	<u>\$ 1,271,116</u>	<u>\$ 1,391,929</u>	<u>\$ (120,813)</u>

See Accompanying Independent Auditor's Report.

LAKE COUNTY PUBLIC WATER DISTRICT
 COMPUTATION OF AVAILABILITY AND REPAIR AND REPLACEMENT CHARGES
 YEAR ENDING APRIL 30, 2021

COMPUTATION OF AVAILABILITY CHARGE
 FOR THE YEAR ENDED APRIL 30, 2020

<u>Availability</u>	
Interest - November 1, 2020 and May 1, 2021	\$ 125,168
Principal - Due May 1, 2021	819,000
Total	\$ 944,168
Additional Debt Service Coverage - 10%	94,417
Totals	\$ 1,038,585

Allocation	Allocation Percentage	
City of Zion	69.2308%	\$ 719,020
Village of Winthrop Harbor	23.0769%	239,673
State of Illinois:		
Illinois Beach State Park	3.0769%	31,956
North Point Marina	4.6154%	47,936
Totals	100.0000%	\$ 1,038,585

COMPUTATION OF A MONTHLY REPAIR
 AND REPLACEMENT CONTRIBUTION
 FOR THE YEAR ENDED APRIL 30, 2020

Amount Required for Full Funding	\$ 2,038,400
Balance Available in Reserve	(1,864,126)
Amount Needed to Fully Fund the Reserve	\$ 174,274
Credit for Additional Debt Service Coverage	(94,417)
Credit for Fiscal Year 2020 Contributions to be Paid in Fiscal Year 2021	(26,817)
Net Amount to be Contributed by Customers	\$ 53,040

Amount to be Contributed by Each Customer	%	Total	Funding Period	Monthly Contribution (1)
City of Zion	69.2308	\$ 36,720	12 Months	\$ 3,060
Village of Winthrop Harbor	23.0769	12,240	12 Months	1,020
State of Illinois:				
Illinois Beach State Park	3.0769	1,632	12 Months	136
North Point Marina	4.6154	2,448	12 Months	204
Totals	100.0000	\$ 53,040		\$ 4,420

(1) Monthly contribution amounts are in addition to any previous monthly contribution amounts which remain unpaid.

See Accompanying Independent Auditor's Report.

LAKE COUNTY PUBLIC WATER DISTRICT
 COMPUTATION OF RATE FOR DELIVERY OF WATER
 FOR THE YEAR ENDED APRIL 30, 2021

COMPUTATION OF RATE PER THOUSAND
 GALLONS FOR THE DELIVERY OF WATER

Total Operating Expenses Before Depreciation	\$ 1,235,252
Less - Repairs and Replacement Expenses	(27,028)
Add - Depreciation on Plant and Equipment Financed By Operations and Maintenance	<u>58,538</u>
Fiscal 2020 Qualified Operations and Maintenance Costs	\$ 1,266,762
Additional Operations and Maintenance Coverage, 10% of Above	<u>126,676</u>
Total	<u><u>\$ 1,393,438</u></u>
Fiscal 2020 Water Sales in Thousands of Gallons	<u><u>\$ 855,169</u></u>
Computed Rate per Thousand Gallons for 2021	<u><u>\$ 1.629</u></u>

See Accompanying Independent Auditor's Report.