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***LAKE COUNTY PUBLIC WATER DISTRICT  
SUPPLEMENTAL INFORMATION  
FOR THE YEARS ENDED APRIL 30, 2021 AND 2020***

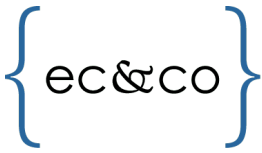
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LAKE COUNTY PUBLIC WATER DISTRICT

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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, 2021 and 2020. Our report thereon dated June 23, 2021 follows:

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Lake County Public Water District as of and for the years ended April 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the District's basic 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 District'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 District'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, 2021 and 2020, and the changes in financial position and cash flows thereof for the year 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 required supplementary information, as listed on 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, 2021.

2. Computations of availability and repair and replacement charges for the year ended April 30, 2022.
3. Computation of rate for delivery of water for District customers for the year ended April 30, 2022.

*Eder, Casella & Co.*

EDER, CASELLA & CO.  
Certified Public Accountants

Gurnee, Illinois  
June 23, 2021

LAKE COUNTY PUBLIC WATER DISTRICT  
 COMPUTATION OF REVENUE DELIVERY REQUIREMENT  
 FOR DISTRICT CUSTOMERS  
 YEAR ENDED APRIL 30, 2021

Revenue Requirement	
Operation and Maintenance Expenses	\$ 1,829,782
Less - Depreciation on Plant and Equipment Financed by Bond Proceeds	(409,090)
Less - Depreciation on Plant and Equipment Financed by Renewal and Replacement	(90,882)
Less - Depreciation on Plant and Equipment Financed by Grants	(9,898)
Less - Repairs and Replacement Expenses	(11,900)
Revenue Delivery Requirement for District Customers	<u>\$ 1,308,012</u>

Customer	%	Delivered Gallons of Water (000)	Computed Revenue Delivery Requirement	Revenues Billed for Period	Amount Due or (Refund)
City of Zion	78.29%	698,207	\$ 1,023,997	\$ 1,136,223	\$ (112,226)
Village of Winthrop Harbor	20.46%	182,437	267,564	297,068	(29,504)
State of Illinois					
Marina	0.71%	6,340	9,298	11,353	(2,055)
Illinois Beach State Park	0.55%	4,877	7,153	8,198	(1,045)
	<u>100.00%</u>	<u>891,861</u>	<u>\$ 1,308,012</u>	<u>\$ 1,452,842</u>	<u>\$ (144,830)</u>

See Accompanying Independent Auditor's Report.

LAKE COUNTY PUBLIC WATER DISTRICT  
 COMPUTATION OF AVAILABILITY AND REPAIR AND REPLACEMENT CHARGES  
 YEAR ENDING APRIL 30, 2022

COMPUTATION OF AVAILABILITY CHARGE  
 FOR THE YEAR ENDED APRIL 30, 2021

<u>Availability</u>	
Interest - November 1, 2021 and May 1, 2022	\$ 106,332
Principal - Due May 1, 2022	837,000
Total	\$ 943,332
Additional Debt Service Coverage - 10%	94,333
	\$ 1,037,665

Allocation	Allocation Percentage	
City of Zion	69.2308%	\$ 718,383
Village of Winthrop Harbor	23.0769%	239,461
State of Illinois:		
Illinois Beach State Park	3.0769%	31,928
North Point Marina	4.6154%	47,893
Totals	100.0000%	\$ 1,037,665

COMPUTATION OF A MONTHLY REPAIR  
 AND REPLACEMENT CONTRIBUTION  
 FOR THE YEAR ENDED APRIL 30, 2021

Amount Required for Full Funding	\$ 2,089,133
Balance Available in Reserve	(1,813,537)
Amount Needed to Fully Fund the Reserve	\$ 275,596
Underdrain project (2)	92,451
Credit for Additional Debt Service Coverage	(94,333)
Credit for Fiscal Year 2021 Contributions to be Paid in Fiscal Year 2022	(8,839)
Net Amount to be Contributed by Customers	\$ 264,875

Amount to be Contributed by Each Customer	%	Total	Funding Period	Monthly Contribution (1)
City of Zion	69.2308	\$ 183,375	12 Months	\$ 15,281
Village of Winthrop Harbor	23.0769	61,125	12 Months	5,094
State of Illinois:				
Illinois Beach State Park	3.0769	8,150	12 Months	679
North Point Marina	4.6154	12,225	12 Months	1,019
Totals	100.0000	\$ 264,875		\$ 22,073

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

(2) The underdrain project, a special project as agreed to by the customers will be billed over a five year period starting August 1, 2021 and end July 1, 2026. The total estimated cost of the project is 462,257 and billings per year will be an estimated \$92,451.

See Accompanying Independent Auditor's Report.

LAKE COUNTY PUBLIC WATER DISTRICT  
 COMPUTATION OF RATE FOR DELIVERY OF WATER  
 FOR THE YEAR ENDING APRIL 30, 2022

COMPUTATION OF RATE PER THOUSAND  
 GALLONS FOR THE DELIVERY OF WATER

Total Operating Expenses Before Depreciation	\$ 1,304,851
Less - Repairs and Replacement Expenses	(11,900)
Add - Depreciation on Plant and Equipment Financed By Operations and Maintenance	<u>15,061</u>
Fiscal 2020 Qualified Operations and Maintenance Costs	\$ 1,308,012
Additional Operations and Maintenance Coverage, 10% of Above	<u>130,801</u>
Total	<u><u>\$ 1,438,813</u></u>
Fiscal 2021 Water Sales in Thousands of Gallons	<u><u>\$ 891,861</u></u>
Computed Rate per Thousand Gallons for 2022	<u><u>\$ 1.613</u></u>

See Accompanying Independent Auditor's Report.