POPULAR ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

BARRINGTON
Be Inspired.

LETTER FROM THE VILLAGE PRESIDENT

Citizens of the Village of Barrington, Illinois:
We are pleased to present the Village's Popular Annual Financial Report (PAFR) for the fiscal year ended December 31, 2020. This report is designed to give the reader a quick, easy-to-read summary of financial activities over the year. While the PAFR can be read as a standalone report, further detail on the events of Fiscal Year (FY) 2020 can be found both in the FY 2020 Annual Budget and the Comprehensive Annual Financial Report (Financial Report), which contains detailed audited financial statements and conforms to the generally accepted accounting principles (GAAP).

The intent of the PAFR is to provide a high level profile of the Village by focusing on the core services it provides to the community. To help understand how the Village manages its services, this report identifies the major revenues that are collected to support the delivery of our quality services as well as the related operating costs. As you can see from this report, the Village strives to maintain a diverse revenue base that does not rely heavily upon property taxes. The PAFR highlights the large reinvestments the Village has made in its infrastructure. These investments include capital improvements to Hart Road and the Flint Creek Restoration and the purchase of a new ambulance and bucket truck to ensure services are provided in the most efficient and cost effective way possible. For more information regarding the Village plan to address its infrastructure please contact the Development Services Department.

The PAFR is a completely optional publication that has been submitted to further transparency efforts between the Village and its residents. While the Government Finance Officers Association of the United States and Canada encourages all governments to publish PAFRs, only a few do so. The Village of Barrington is joining other progressive municipalities in publishing its first PAFR. This report is found online on the Village's website at www.barrington-il.gov/pafr can be obtained in person at Village Hall upon request.

If you have any questions regarding the information presented on the following pages, please contact the Finance Department at (847) 304-3400.

Sincerely,
Karen Darch

Karen Darch
Village President

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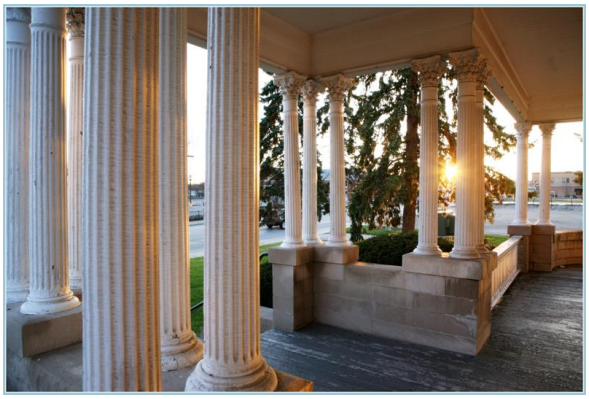
COMMUNITY PROFILE

A beautiful, historic suburb just 40 miles northwest of Chicago, Barrington's residents pride themselves on the Village's hometown charm and small-town heritage. Barrington's White House Cultural and Community Center exemplifies this character, as it has become a historically vibrant center of the community.

The Village of Barrington serves as the hub of activity for the 90-square-mile Barrington area, which consists of seven independent villages and more than 43,000 residents. The Metra train stops right in the Village Center, easily connecting Barrington to the city of Chicago.



Barrington's White House

Citizens Park

Barrington District 220 schools are consistently among the top in state and national rankings. The Barrington area's unique access to a wide variety of outdoor recreation, thanks in part to the Barrington Area Park District, in the form of parks, forest preserves, and horse and hiking trails makes its location second to none.

Barrington High School

Cultural & Community Events

In addition to the amenities mentioned above, the Village of Barrington is committed to excellence in Community and Cultural Events. Some of these events include:

- Art Walks
- Concerts in the Metra Parking Lot
- 4th of July parade and fireworks
- Annual Town Warming, featuring keynote speakers such as Condoleezza Rice, Governor Chris Christie, William Daley, Former U.S. Secretary of Treasury Hank Paulson
- Barrington's White House, reaching approximately 53,000 attendees across various offerings such as
  - Jazz Cabaret & Classical music performances
  - Motivational speakers including Courageous Conversations
  - Weddings and celebrations

VILLAGE DEPARTMENTS & SERVICES

The Village prides itself on delivery of a full array of high quality municipal services to support our residents, businesses, and guests. For a full directory of Village Departments and Services, please see our website www.barrington-il.gov. The Village has four main operating departments, discussed below.

The Police Department provides the Village of Barrington with a full range of police services including patrol operations, criminal investigations and juvenile investigations, traffic and parking enforcement, crime prevention education, and community policing.

The Development Services Department consists of several divisions that coordinate to plan and oversee construction of Village infrastructure projects and promote the safety and welfare of residents by enforcing development and building standards and codes in the Village.

The Fire Department responds to medical emergencies and supports fire suppression efforts and search and rescue activities with a team of trained firefighter/paramedics.

The Public Works Department is committed to enhancing the quality of life for residents by maintaining the infrastructure in the Village and providing high quality services. Public Works is responsible for water and waste water treatment, snow plowing, hydrant flushing, and buildings and grounds maintenance.

FINANCIAL INFORMATION

Selected financial data has been presented from the Village's Governmental and Business-Type Funds on the next two pages. Please refer to the Comprehensive Annual Financial Report for more detailed Village financial information and an analysis of the sources and uses of dollars.

DESCRIPTION OF FUND TYPES

Governmental funds are used to account for the Village's support operations and capital improvements relating to facilities, streets and street repairs, sidewalk, and land acquisition. Governmental funds only record current financial information and the accounting method used is a modified accrual basis. The General Fund is the main operating fund of the Village. It accounts for the Village's top operating departments including police, fire, development services, and public works. The Capital Projects Fund is used to account for financial resources to be used for the acquisition of construction of major capital facilities (other than those financed by business-type funds). Governmental funds are analyzed on page 5.

Business-type funds measure operating income, changes in net position, financial position, and cash flows. Income generated is through fees charged to users. The generally accepted accounting principles applicable are those similar to businesses in the private sector. Business-type funds use the full accrual method of accounting. These funds account for the Village's Water & Sewer, Refuse, Parking Activities, and Barrington's White House cultural events and rentals. The Water & Sewer fund is the Village's largest business-type fund and will be analyzed on page 6.

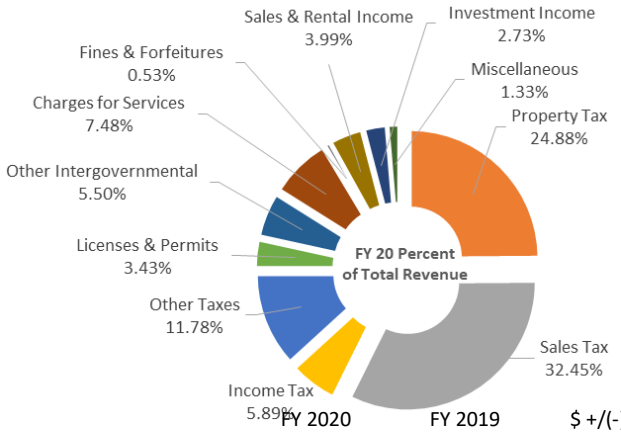
GOVERNMENTAL FUNDS

Revenues

Sales tax is the largest source of governmental revenue (32%). The Village receives 1% of sales tax imposed by the State of Illinois on all retail sales made within Village limits.

	FY 2020	FY 2019	$ +/(-)
Property Tax	$ 4,805,342	$ 4,569,746	$ 235,596
Replacement Tax	104,713	135,571	(30,858)
Telecom Tax	343,580	395,758	(52,178)
Utility Tax	713,791	743,492	(29,701)
Sales Tax	6,266,215	6,213,854	52,361
Income Tax	1,137,212	1,108,019	29,193
Use Tax	442,359	343,111	99,248
Motor Fuel Tax	602,676	338,786	263,890
Other taxes	66,900	68,640	(1,740)
Licenses & Permits	663,074	844,250	(181,176)
Other Intergovernmental	1,062,056	228,427	833,629
Charges for Services	1,445,096	1,536,656	(91,560)
Fines & Forfeitures	102,724	115,951	(13,227)
Sales & Rental Income	771,370	563,685	207,685
Investment Income	527,261	546,455	(19,194)
Miscellaneous	256,719	244,278	12,441
Total	$ 19,311,088	$ 17,996,679	$ 1,314,409

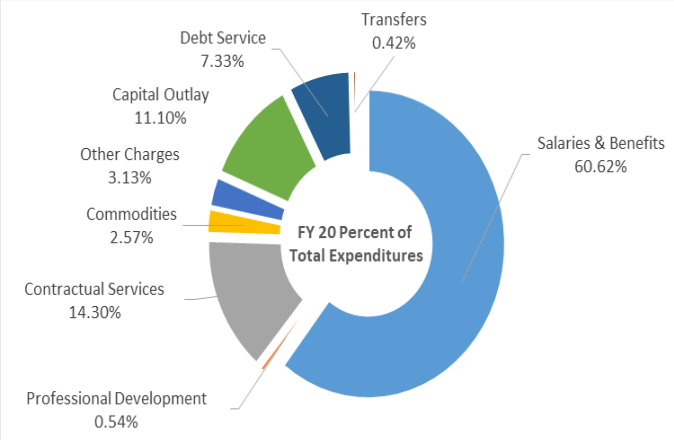
The second largest source of governmental revenue is Property tax (25%). A majority of the increase from 2019 to 2020 is increase in value of properties in the Village's Village Center TIF. The Village is in two Counties, Cook and Lake. Each County assesses equalized assessed value (EAV) on property. Property tax paid is based on EAV and taxpayer rate. Although some categories were impacted by the Covid-19 global pandemic, the Village still recognized an increase in revenue of $1.31m in fiscal year 2020.



Expenditures

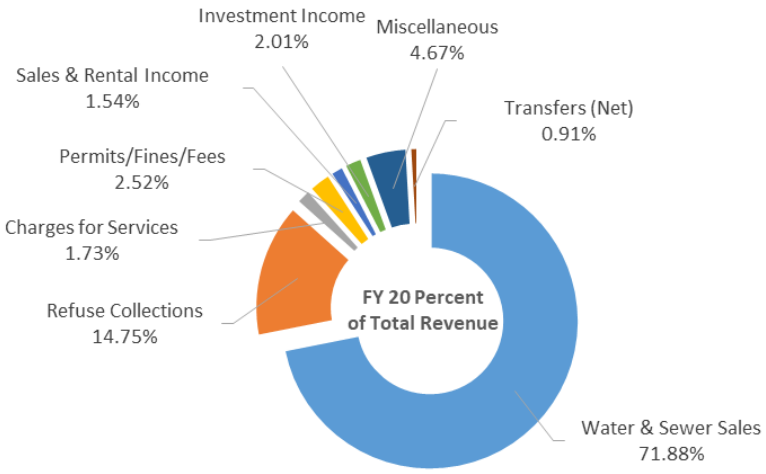
The Village's main operating departments (police, fire, public works, development services) represent $11,406,128 (63%) of the $18,065,560 in governmental spending. The Village also continued to invest in capital improvements, with just over $2m spent in 2020. The largest spending category is salaries & benefits (60%), which is to be expected as a provider of services. Capital related expenditures including capital outlay and debt service represent 18% of governmental fund activity. Expenditures decreased by $1.19m in FY 2020. This is largely due to self-imposed spending restrictions as revenue reductions were projected during the early days of the Covid-19 pandemic.

	FY 2020	FY 2019	$ +/(-)
Admin & Finance	$ 3,255,840	$ 3,732,332	$ (476,492)
Development Services	544,014	557,207	(13,193)
Public Safety	8,850,783	8,742,111	108,672
Public Works	2,011,331	2,278,896	(267,565)
Capital Outlay	2,004,563	1,982,368	22,195
Debt Service	1,324,029	1,309,292	14,737
Transfers (Net)	75,000	655,000	(580,000)
	$ 18,065,560	$ 19,257,206	$ (1,191,646)

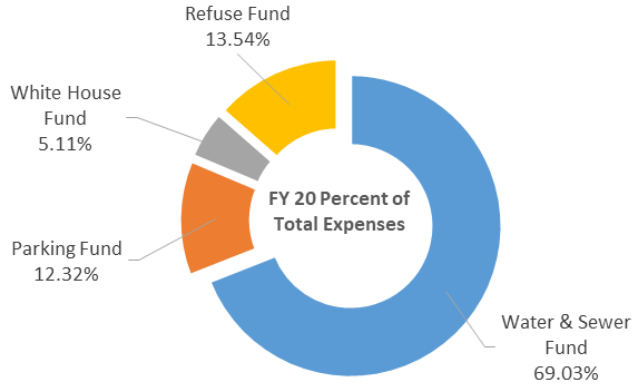


	FY 2020	FY 2019	$ +/(-)
Salaries	$ 7,194,065	$ 7,504,414	$ (310,349)
Employee Benefit	3,757,150	3,574,327	182,823
Professional Development	98,185	170,685	(72,500)
Contractual Services	2,582,994	2,929,577	(346,583)
Commodities	464,933	566,569	(101,636)
Other Charges	564,641	564,974	(333)
Capital Outlay	2,004,563	1,982,368	22,195
Principal	1,154,159	1,110,239	43,920
Interest	169,870	199,053	(29,183)
Transfers (Net)	75,000	655,000	(580,000)
	$ 18,065,560	$ 19,257,206	$ (1,191,646)

BUSINESS-TYPE FUNDS



A snapshot of allocations of revenue and expense show the Water & Sewer Fund accounts for nearly 72% of all business-type revenues and 69% of all business-type expenditures. As such, the discussion on the remainder of this page focuses on the Water & Sewer fund.



Revenues

	FY 2020	FY 2019	$ +/(-)
Water & Sewer Sales	$ 5,945,586	$ 5,871,630	$ 73,956
Connection Fees	168,924	154,365	14,559
Investment Income	160,839	169,319	(8,480)
Miscellaneous	5,310	3,595	1,715
	$ 6,280,659	$ 6,198,909	$ 81,750

Much like revenue in the governmental funds, revenue in the Water & Sewer fund also increased in 2020. On average, 432 million gallons of water are consumed daily.

The Village attributes this usage to the impact of a rate increase at the beginning of the year, coupled with residents using more water during the Covid-19 stay at home order.

Expenses

	FY 2020	FY 2019	$ +/(-)
Salaries	$ 1,442,087	$ 1,364,599	$ 77,488
Employee Benefit	449,551	478,512	(28,961)
Professional Development	7,288	11,347	(4,059)
Contractual Services	665,490	700,414	(34,924)
Commodities	428,705	379,475	49,230
Other Charges	701,400	708,524	(7,124)
Capital Outlay	832,233	536,621	295,612
Depreciation	1,174,192	1,120,962	53,230
Interest Expense	679,695	714,350	(34,655)
	$ 6,380,641	$ 6,014,804	$ 365,837

The makeup of Water & Sewer fund expenses is different than governmental funds. The three largest categories of expense are salaries & benefits (29%), contractual services/commodities (17%), and capital including depreciation (31%). This is because the fund is a full-service fund, providing water treatment and delivery. Much of the treatment process involves precisely measured chemicals and the infrastructure to be able to treat and deliver such as water and sewer mains.

This fund was also able to contain costs in reaction to the potential impact of Covid-19, much like governmental funds. Day-to-day operating categories, boxed above, increased $51,650 over 2019, which is a 0.86% increase. This is less than the National rate of inflation of 1.2% for the same time period.

2020 CAPITAL HIGHLIGHTS

Flint Creek Restoration (Dreamway)

The American Public Works Association awarded the Village's Flint Creek Dreamway Restoration with Project of the Year in the Environmental Improvement (less than $5 million) category. The Dreamway Project is a collaboration between the Village, Barrington CUSD 220 and the Barrington Park District to restore and revitalize Flint Creek in the area between Langendorf Park and Hart Road. The project includes removal of invasive species, especially trees, and installation of native plants.

Hart Road Improvements

The purpose of the project was to enhance safety and intersection operations in relation to the existing railroad crossing on Hart Road in Barrington. This involved multi-agency coordination, including Union Pacific railroad and Lake County.

The additional turn lanes improve traffic flow at the intersection. Pedestrian improvements allow walkers and non-motorized traffic to cross both the railroad tracks and Route 14 with signalized cross walks and pedestrian gates at the railroad tracks, and a shared use path extending from Hart Rd. to Cumnor Ave. on the north side of Route 14.

Equipment Purchases

Public Works Bucket Truck

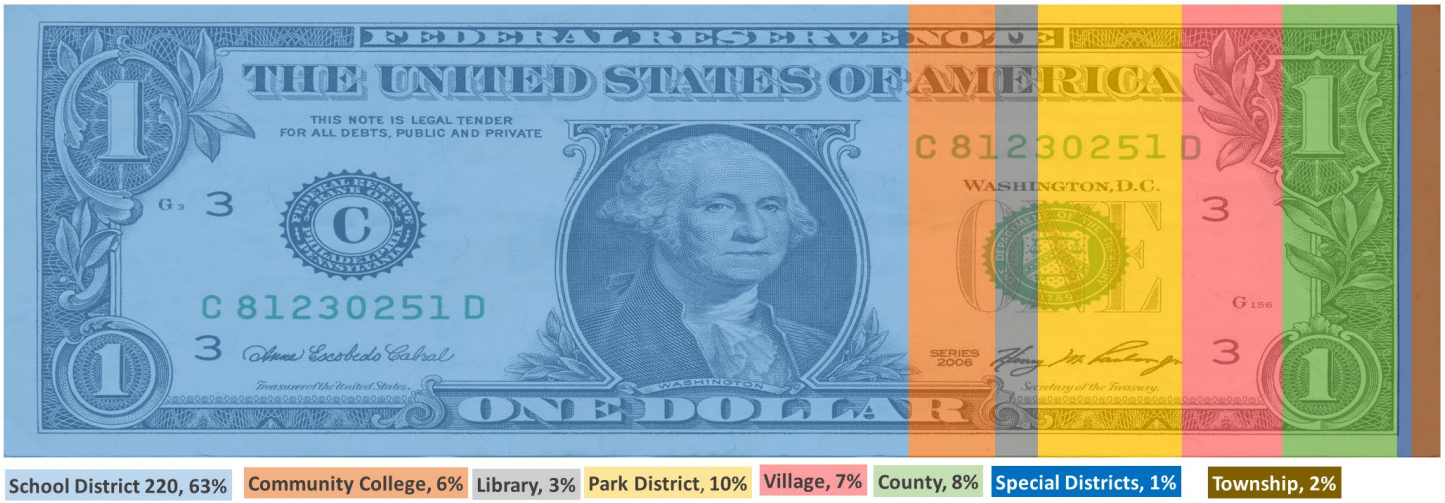
Ambulance

AWARDS & ACHIEVEMENTS

- *Bond Rating: AA+(S&P)/Aa1(Moody's)*
- *Certificate of Achievement for Financial Reporting*
- *Distinguished Budget Presentation Award*

DIVIDING UP THE DOLLAR

As seen on the graphic below, on average the Village receives $0.07 from every dollar of property tax collected. The remaining portion, $0.93 of each dollar is allocated to other taxing districts in the Village. The Village levies a tax annually, and the tax rate is determined by the amount of tax levied. As previously mentioned, EAV is set by the individual Counties, Cook and Lake. Additionally, the Village does not control the amount of taxes levied by the other taxing bodies shown below or the overall taxpayer rate.



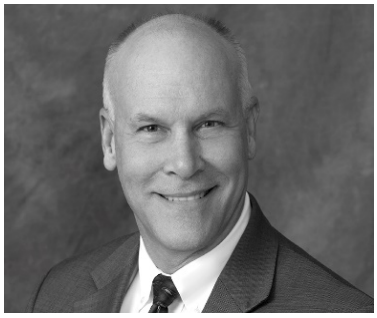
This important revenue source is used to pay for day-to-day operations along with funding Social Security, Medicare, and State mandated pension contributions. Property taxes account for 25% of total Governmental revenues in the Village.

VILLAGE CONTACTS

VILLAGE BOARD

Karen Darch, President

Jason Lohmeyer, Trustee

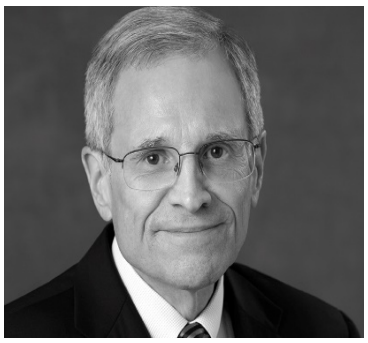

Todd Sholeen, Trustee

Jennifer Wondrasek, Trustee

Kate Duncan, Trustee

Emily Young, Trustee

Mike Moran, Trustee


Tony Ciganek, Clerk

VILLAGE HALL
200 S. HOUGH ST.
BARRINGTON, IL 60010
(847) 304-3400

VILLAGE PRESIDENT &
VILLAGE MANAGER'S OFFICE
T. (847) 304-3444
F. (847) 304-3490

FINANCIAL SERVICES
T. (847) 304-3400
F. (847) 381-7506

DEVELOPMENT SERVICES
T. (847) 304-3460
F. (847) 381-1056

PUBLIC WORKS
300 N. RAYMOND AVE.
BARRINGTON, IL 60010
T. (847) 381-7903
F. (847) 382-3030

PUBLIC SAFETY
400 N. NORTHWEST HWY.
BARRINGTON, IL 60010

POLICE
T. (847) 304-3300
F. (847-) 381-2165

FIRE
T. (847) 304-3600
F. (847) 381-1889

BARRINGTON-IL.GOV