POPULAR ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021

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, 2021. 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) 2021 can be found both in the FY 2021 Annual Budget and the Annual Comprehensive Financial Report (ACFR), 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 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 reinvestments the Village has made in its infrastructure. These investments include capital improvements to the Metra entrance drive, roof replacement at the Metra train depot, and the purchase of police and fire command vehicles 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 refer to the Village's Capital Improvement plan at www.barrington-il.gov/government/rules_and_regulations/capital_improvement_program.

The PAFR is a completely optional publication that has been submitted to further transparency efforts between the Village and its residents. With the addition of the PAFR, the Village is considered a "triple crown winner" by the Government Finance Officers Association (GFOA). GFOA's Triple Crown recognizes governments who have received GFOA's Certificate of Achievement for Excellence in Financial Reporting, Popular Annual Financial Reporting Award, and the Distinguished Budget Presentation Award. We hope that you find value in this document and that it provides additional insight into how the Village provides its services. This report is found online on the Village's website at www.barrington-il.gov/pafr and can be obtained in person at Village Hall upon request.

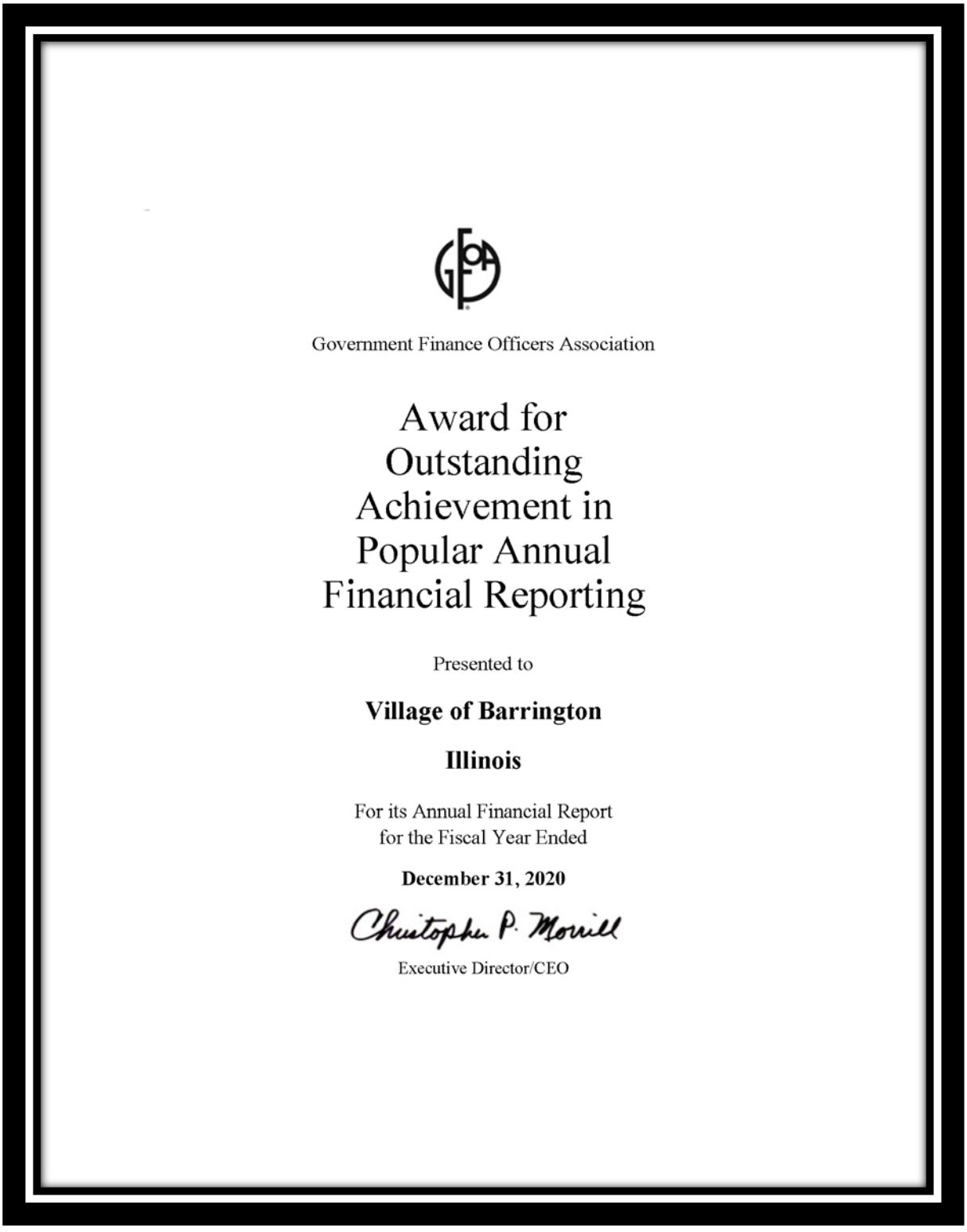
If you have any questions regarding the information presented on the following pages, please contact the Finance Department at (847) 304-3400.

Sincerely,
Karen Darch

Karen Darch
Village President

Inside the PAFR

PAFR Award	2	Business Type Funds	7
Community Profile	3	Capital Projects	8
Departments & Services	4	Awards & Achievements	9
Financial Information	5	Property Taxes	9
Description of Fund Types	5	Village Contacts	10
Governmental Funds	6		



Government Finance Officers Association

Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to

Village of Barrington

Illinois

For its Annual Financial Report
for the Fiscal Year Ended

December 31, 2020

Christopher P. Morrill

Executive Director/CEO

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.

Barrington's White House

The Village of Barrington serves as the hub of activity for the 90-square-mile Barrington area, which consists of six 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.

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 Park District, in the form of parks, forest preserves, and hiking trails makes its location second to none.

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 3,000 attendees annually across various offerings

Cynthia Rowley Brings the Beach to Barrington

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.

Police

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

Fire

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

Development Services

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.

Public Works

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 use a modified accrual basis and only record current financial information. 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, public works, and administration. The Capital Projects fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type funds). Governmental funds are analyzed on page 5.

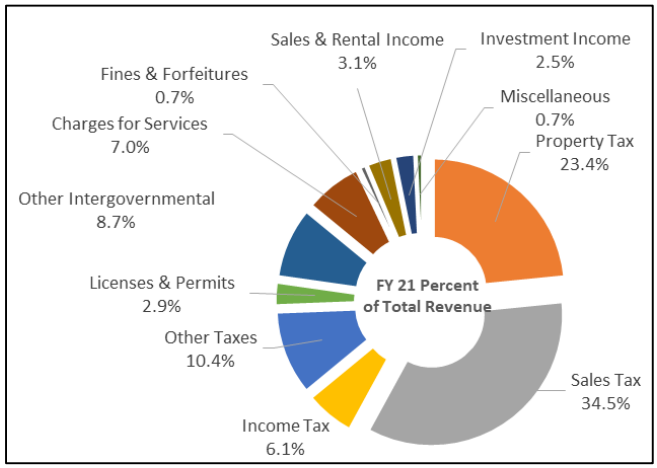
Barrington Village Hall

Business-type funds measure operating income, changes in net position, financial position, and cash flows. Income is generated 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 financial activities related to the Village's Water & Sewer production and treatment, Refuse and Recycling activities, 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 (34%). The Village receives 1% of sales tax imposed by the State of Illinois on all retail sales made within Village limits. Sales tax revenues saw a significant increase in 2021 due to automobile sales and online sales tax collections.



	FY 2021	FY 2020	$ +/(-)
Property Tax	$ 5,423,597	$ 4,805,342	$ 618,255
Replacement Tax	210,068	104,713	105,355
Telecom Tax	302,564	343,580	(41,016)
Utility Tax	770,148	713,791	56,357
Sales Tax	7,997,782	6,266,215	1,731,567
Income Tax	1,403,713	1,137,212	266,501
Use Tax	414,382	442,359	(27,977)
Motor Fuel Tax	631,495	602,676	28,819
Other taxes	74,775	66,900	7,875
Licenses & Permits	663,487	663,074	413
Other Intergovernmental	2,016,457	1,062,056	954,401
Charges for Services	1,617,617	1,445,096	172,521
Fines & Forfeitures	170,402	102,724	67,678
Sales & Rental Income	721,581	771,370	(49,789)
Investment Income	568,069	527,261	40,808
Miscellaneous	173,009	256,719	(83,710)
Total	$ 23,159,146	$ 19,311,088	$ 3,848,058

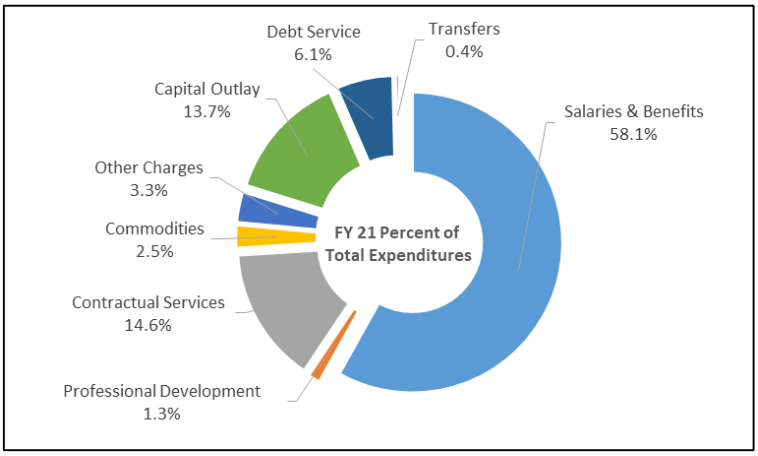
The second largest source of governmental revenue is Property tax (22%). A majority of the increase from 2020 to 2021 is an increase in value of properties in the Village's Village Center TIF and new property coming onto the tax rolls within the Village.

The Village is located in two Counties, Cook and Lake. Each County assesses an equalized assessed value (EAV) on property. Property tax paid is based on EAV and taxpayer rate.

Expenditures

The Village's main operating departments (police, fire, public works, and development services) represent $12,363,148 (63%) of the $19,589,146 in governmental spending. The Village also continued to invest in capital improvements, with just over $2m spent in 2021 (14% of total spend). The largest spending category is salaries & benefits (58%), which is to be expected as a provider of services. Capital related expenditures including capital outlay and debt service represent 20% of governmental fund activity. Expenditures increased by $1.5m in FY 2021. This is largely due to increased capital outlays ($865,987 or 48% increase).

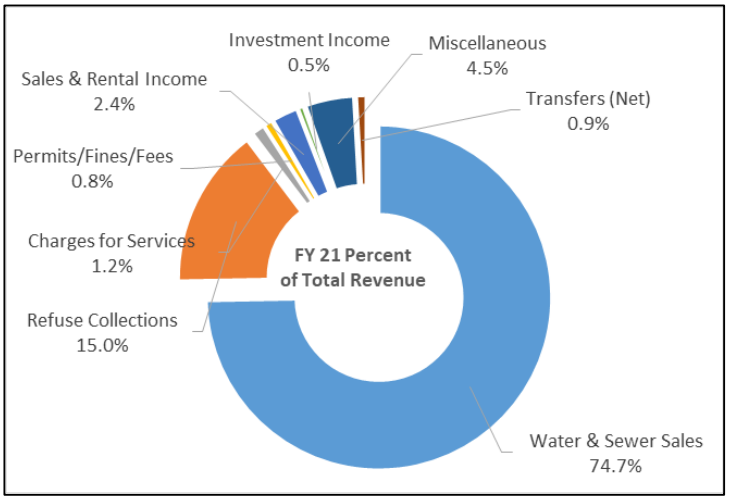
	FY 2021	FY 2020	$ +/(-)
Admin & Finance	$ 3,273,311	$ 3,255,840	$ 17,471
Development Services	706,563	735,002	(28,439)
Public Safety	9,467,439	8,850,783	616,656
Public Works	2,189,146	2,011,331	177,815
Capital Outlay	2,679,562	1,813,575	865,987
Debt Service	1,198,125	1,324,029	(125,904)
Transfers (Net)	75,000	75,000	-
	$ 19,589,146	$ 18,065,560	$ 1,523,586



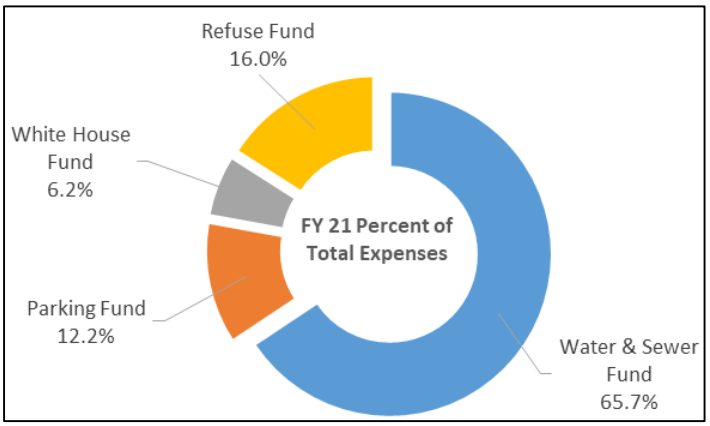
	FY 2021	FY 2020	$ +/(-)
Salaries	$ 7,470,717	$ 7,335,786	$ 134,931
Employee Benefit	3,932,970	3,803,718	129,252
Professional Development	255,059	99,439	155,620
Contractual Services	2,854,763	2,584,198	270,565
Commodities	480,121	465,174	14,947
Other Charges	642,829	564,641	78,188
Capital Outlay	2,679,562	1,813,575	865,987
Principal	1,060,000	1,154,159	(94,159)
Interest	138,125	169,870	(31,745)
Transfers (Net)	75,000	75,000	-
	$ 19,589,146	$ 18,065,560	$ 1,523,586

BUSINESS-TYPE FUNDS

A snapshot of allocations of revenue and expense show the Water & Sewer fund accounts for nearly 75% of all business-type revenues and 66% of all business-type expenditures.



As such, the discussion on the remainder of this page focuses on the Water & Sewer fund.



Revenues

Much like revenue in the governmental funds, revenue in the Water & Sewer fund also increased in 2021. On average, 1.1 million gallons of water are consumed daily.

	FY 2021	FY 2020	$ +/(-)
Water & Sewer Sales	$ 6,172,070	$ 5,945,586	$ 226,484
Connection Fees	154,318	168,924	(14,606)
Investment Income	41,014	160,839	(119,825)
Miscellaneous	36,685	5,310	31,375
	$ 6,404,087	$ 6,280,659	$ 123,428

The Village attributes this increase in revenue to the impact of a 2.5% rate increase at the beginning of the year, coupled with a dry summer in 2021 when compared to 2020.

Expenses

	FY 2021	FY 2020	$ +/(-)
Salaries	$ 1,373,940	$ 1,442,087	$ (68,147)
Employee Benefit	31,217	449,551	(418,334)
Professional Development	8,690	7,288	1,402
Contractual Services	668,945	665,490	3,455
Commodities	345,429	428,705	(83,276)
Other Charges	661,300	701,400	(40,100)
Capital Outlay	154,892	832,233	(677,341)
Depreciation	1,245,161	1,174,192	70,969
Interest Expense	642,864	679,695	(36,831)
	$ 5,132,438	$ 6,380,641	$ (1,248,203)

The makeup of Water & Sewer fund expenses is different than governmental funds. The three largest categories of expense are salaries & benefits (28%), contractual services/commodities (20%), and capital including depreciation (27%). 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.

Expenses decreased year over year due to two main reasons. The Water & Sewer fund's annual actuarial valuation recognized a savings in amortized benefits, reflected on the employee benefit line item in the chart above. Additionally, the Water & Sewer fund's only major capital outlay during the year was completing a water main project started the previous year.

2021 CAPITAL HIGHLIGHTS

Metra Access Drive

The purpose of this project was to provide a new access drive to the Metra parking lots from Route 14. This project is located south of Main Street between Klingenberg Lane and South George Street on Route 14 and provides a new access point from Route 14 to the north Metra parking lots as well as Klingenberg Lane. The new intersection with Route 14 is signalized to allow for better traffic flow into and out of the parking lots and adjacent areas, especially during rush hour.

A new pedestrian crossing along Route 14 is also provided at this intersection.

Metra Train Depot Roof Replacement

The Village coordinated with Metra to replace the roof for the Train Depot located in the Metra lot, as the Depot is a shared responsibility.

Equipment Purchases

Police Patrol Vehicle

Fire Command Vehicle

Public Works Vactor Truck

AWARDS & ACHIEVEMENTS

- *Bond Rating: AA+(S&P)/Aa1(Moody's)*
- *Certificate of Achievement for Financial Reporting*
- *Distinguished Budget Presentation Award*
- *Popular Annual Financial Report*
- *APWA Lake Branch Service Improvement Award for formalizing electronic permit processing procedures*
- *APWA Chicago Metro Chapter Service Improvement 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.

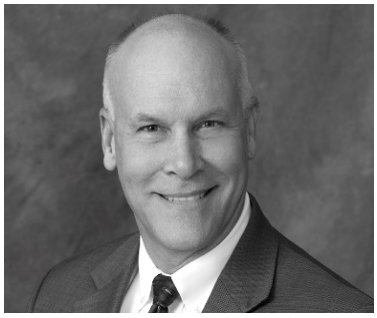
This important revenue source is used to pay for day-to-day operations along with funding Social Security, Medicare, and State mandated pension contributions. Property taxes account for 22% of total Governmental revenues in the Village.

VILLAGE CONTACTS

VILLAGE BOARD

Karen Darch, President

Jason Lohmeyer, Trustee

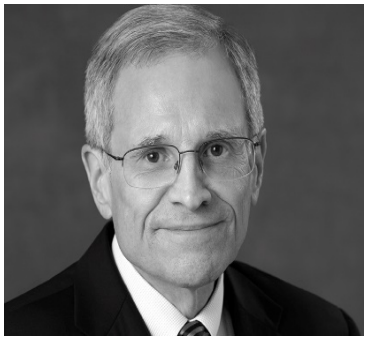

Todd Sholeen, Trustee

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

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