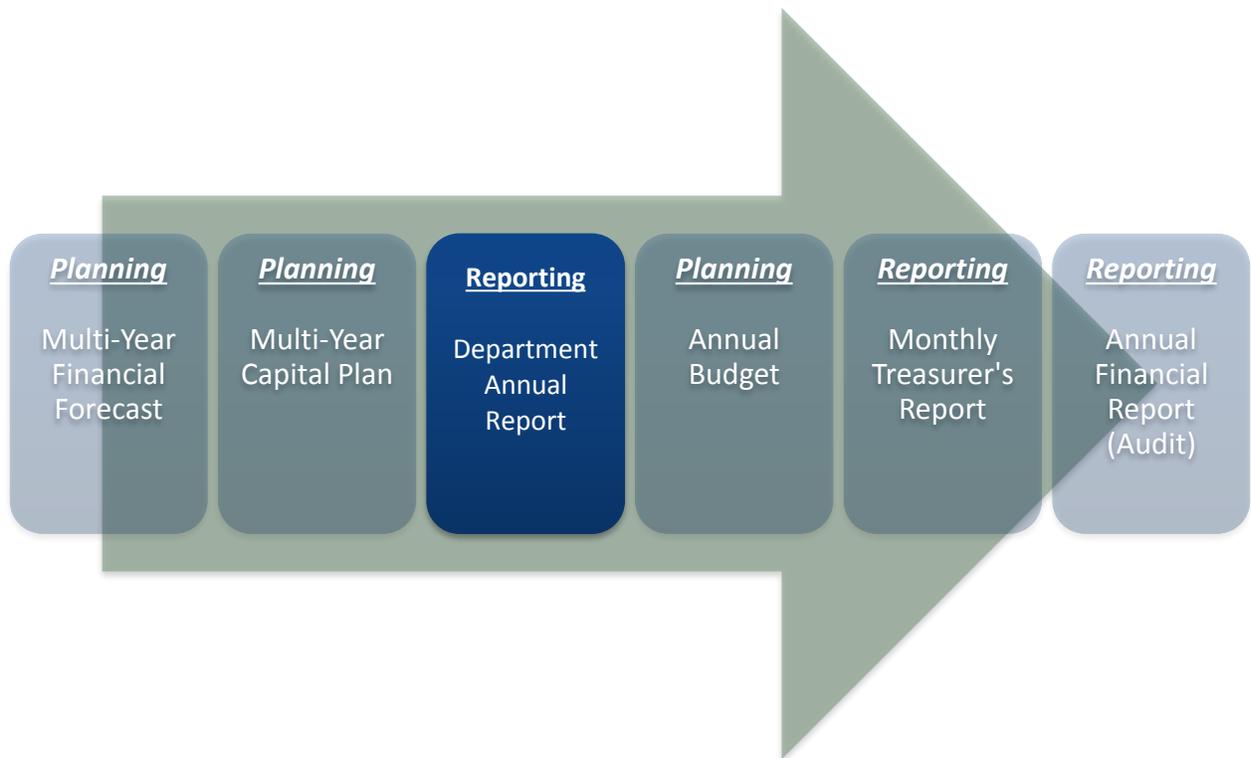




VILLAGE OF
ROUND LAKE BEACH

Illinois

Financial Planning & Reporting Process



Finance Department
&
Round Lake Beach Cultural & Civic Center

2015 Annual Report

Table of Contents

Letter from the Finance Director	3
Mission Statement and Responsibilities	4
Structure and Staff	5
Finance & Accounting	9
Customer Service	9
Information Technology	9
Workload Statistics	10
Efficiencies & Achievements.....	10
Point & Pay: Payment Processing System	10
Round Lake Beach – Mobile Application	11
FY2015 Audit	11
What’s Next in Finance	12
IT Consultant Transition	12
FY2016 Audit & Comprehensive Annual Financial Report	12
Accounting Manager – Matt Rossi	12
Round Lake Beach Cultural & Civic Center	13
Mission Statement	13
Goals	13
Civic Center Structure & Staff	14
Activity Tracking	15
Number of Events	15
Preferred Caterers	18
Taxing District Events.....	18
Lower Level Build Out.....	19

Letter from the Finance Director

March 21, 2016

Mayor Hill, Village Board, and Village Clerk,

It is my pleasure to present this annual report for the Finance Department and the Cultural & Civic Center for Calendar Year 2015. The report is broken down in two sections. Below are some highlights per report section:

Finance Department

During 2015, the consolidation of the Customer Service Clerks took place, which brought all Village Hall full time and part time Clerks under the Finance Department umbrella. Some highlights include:

1. **Implementation of Point & Pay:** The new system was implemented in March 2015, since then 13,464 credit card transactions have been processed totaling \$1,623,785.
2. **Mobile Application:** A new Village application was published and made available via Google Play Store and Apple AppStore.
3. **FY2015 Audit:** The FY2015 Audit was completed with a unqualified opinion (clean opinion) and no material weakness finding.
4. **Staffing Updates:** 3 new part-time employees were hired: Irene Macias, Blanca Lopez, and Edna Hernandez. Rocio Resendiz was hired as the Office Manager. Ann Otto retired after more than 17 years with the Village. Anabel Arteaga was promoted to full time Clerk.

Cultural & Civic Center

During 2015, Village staff continued to improve event tracking to provide better statistical information. Some highlights include:

1. **Lower Level Build Out:** The Cultural & Civic Center completely built out the Lower Level by adding a Conference Room area, 3 Office Spaces, a black box theatre, the Gathering area, Storage area and restrooms. The cost of this build out exceeds \$260,000.00
2. **Rental Revenue & Number of Events:** As compared to 2014, the Center saw an increase in the number of events from 270 to 361; Revenues increased from \$98,091 to \$101,917. The top 5 rental types included General Rental Space (\$41,575); Meetings (\$12,912); Birthday Parties (\$12,062); Weddings (\$9,745) and Quinceañeras (\$7,195). Over 25,000 people visited the Center in 2015 from 21 communities.
3. **Staffing Updates:** During 2015, the Center saw the departure of both Bryan Adams (2014-15) & Jacki Taylor (2015) who held the role of Facility Manager. Since their departure, the Center has been managed by Village Administrator Dave Kilbane and Administrative Assistant Berenice Perez.

In closing, it's my privilege to work with such a dedicated staff, and it has been my pleasure to work with them during the past year. I am looking forward to the many challenges of the next year.

Respectfully Submitted,



Kevin Bueso
Finance Director

Mission Statement and Responsibilities

The mission of the Finance Department is to effectively and efficiently safeguard and account for the Village's resources, and to provide financial services in support of all Village departments and the community in general.

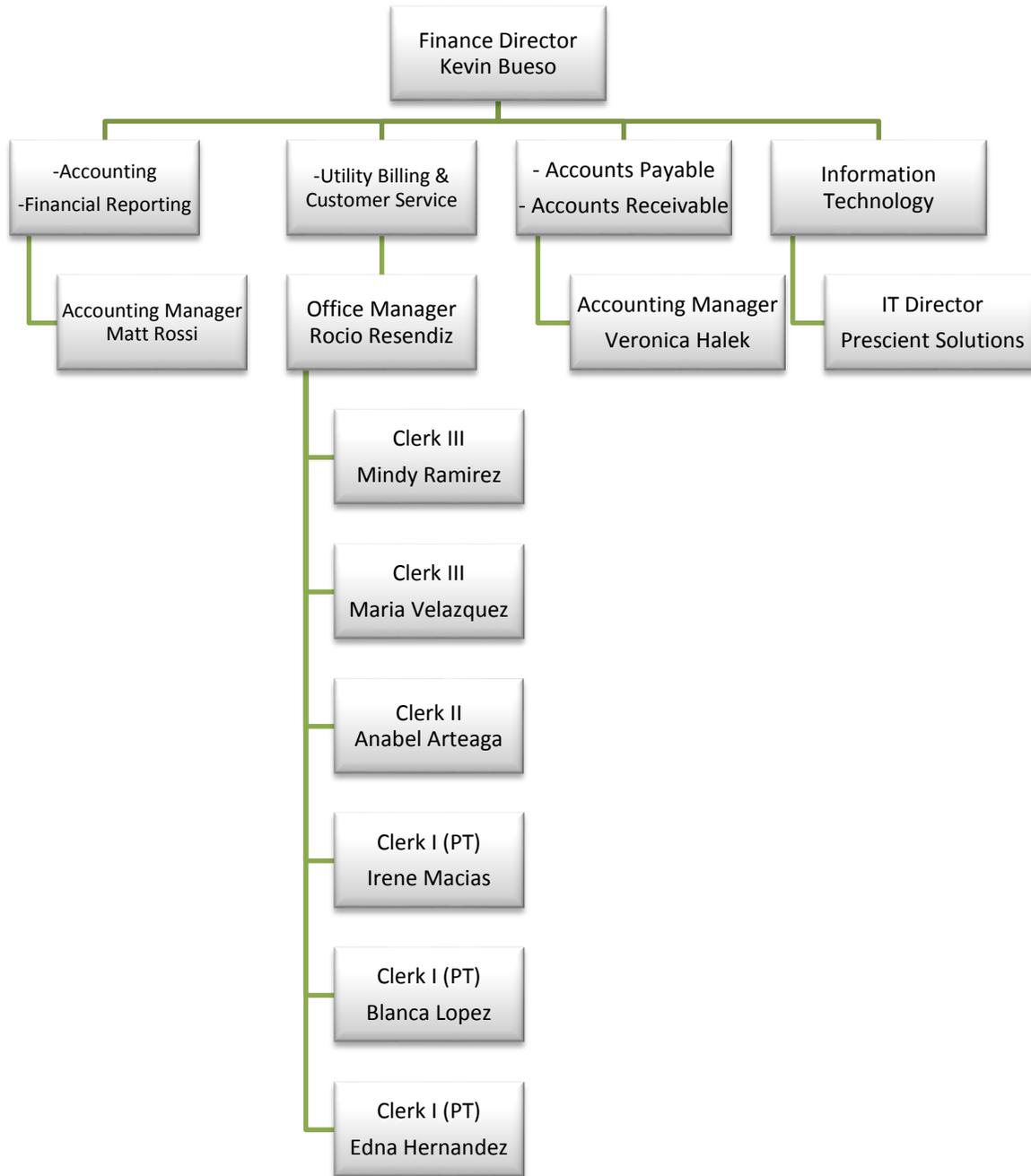
The Finance Department is responsible for all Village financial operations. This includes budgeting, multi-year planning, internal and external financial reporting, accounts payable, accounts receivable, purchasing, water billing, internal auditing, debt management, cash management, internal controls, collections, financial forecasting, information technology, and financial policies and procedures. Under the Finance Department umbrella, the Clerks answer the main telephone line for the Village handling general inquiries and directing callers.

The Finance Department has constant contact with Village residents and business owners through water billing and by responding to inquiries via telephone calls. As a result, high quality customer service is a priority. The Department strives to provide accurate information and assistance to our customers while ensuring adherence to Village policies, procedures, and regulations.

The Finance Department strives to provide transparent and easy access to information regarding the Village's financial condition. The Annual Budget, Multi-Year Financial Forecast, Multi-Year Capital Plan, Monthly Treasurer's Reports, and Annual Financial Reports are available on the Village's website for public review.

Structure and Staff

The Finance Department is comprised of the following functional areas of responsibility: Finance & Accounting, Customer Service, and Information Technology. All functional areas are under the direction of the Village's Finance Director. During the year, the Finance Department saw two staffing changes. **Ann Otto** retired in November after 17 years of service with the Village. **Rocio Resendiz** was hired as the Office Manager in October.





Kevin Bueso - Finance Director

Kevin has served as the Finance Director for the Village of Round Lake Beach since October 2014.

In the past, Kevin has worked as a Senior Accountant and Assistant Finance Director at the City of Waukegan (2009-2014); Finance Assistant at the Village of Gurnee (2006-2009); Volunteered with the Waukegan Public Library, Center for Economic Progress and APUFRAM International. Kevin earned a Master's Degree in Finance/Accounting and a Bachelor's Degree in Business/Accounting from Robert Morris University-Illinois.



Matt Rossi – Accounting Manager

Matt has served as the Accounting Manager for the Village of Round Lake Beach since June of 2013. Previously, Matt attended Augustana College where he majored in Business Finance and Accounting (2009-2013). Matt also interned at Continental Automotive System (2012).

In the past Matt has volunteered as a baseball, football, and basketball coach for youth teams.



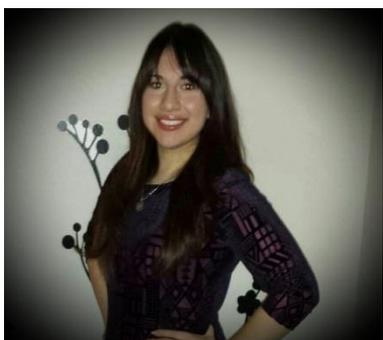
Veronica Halek – Part-Time Accounting Manager

Veronica started with the Village in February 2006 as a part-time Clerk. She was promoted to Part-Time Accounting Manager in June 2006.

Previously, Veronica worked as a Senior Court Clerk for Lake County and Case Manager for Catholic Charities.

Veronica earned a Bachelor's Degree in Psychology from Columbia College.

Veronica volunteers for Lake Villa District #41 – PTO.



Rocio Resendiz – Office Manager

Rocio has served as the Office Manager for the Village of Round Lake Beach since October 2015. Previously, Rocio was employed with Chicago Cornea Consultants as a Patient Care Coordinator/Receptionist in Highland Park (2009-2015). Rocio received her Bachelor's Degree in Communication-Media Studies from the University of Illinois-Chicago, along with a double minor in Psychology and Art History. In the past, Rocio has volunteered with Waukegan Main Street in the Events/Promotions area.

Full Time Clerks



Mindy Ramirez – Clerk III

Mindy was hired as a part time Finance Clerk II on August 30, 2006. Mindy transitioned from a part time Clerk to a full time Clerk in 2010. Mindy has served as a Clerk for all 3 Customer Service areas including Finance, Police, and Economic Development.

Mindy received her Associates of Arts Degree in 2009 and is currently working towards getting her Bachelor’s Degree in Criminal Justice and Psychology with the University of Wisconsin-Parkside.

Mindy has volunteered in the Probation Support Volunteer Program with College of Lake County.



Maria Velazquez – Clerk III

Maria has been employed with the Village since April 23, 2007; Maria started as a full time Clerk at the Police.

Maria has served as a Clerk for the Village on all 3 Customer Service areas including Police, Finance and Economic Development as well as an interpreter during Police Hearings.

Previously Maria worked at Bernard Foods from 1997-2007 as a Customer Service Representative and later on in their Account Payable Department.



Anabel Arteaga – Clerk II

Anabel has been employed with the Village since April 2015. She began as a part-time Clerk I; she was promoted to a full time Clerk II in November 2015.

Previously, Anabel was employed as a Shift Supervisor for Kentucky Fried Chicken in Round Lake Beach (2013-2015).

Anabel received her Associates Degree from the College of Lake County and is currently seeking advanced studies through DeVry University.

Part Time Clerks

Irene Macias – Clerk I



Irene has served as a part time Clerk I for the Village of Round Lake Beach since April 2015.

Additionally, she currently works as a part time Sales Associate for GAP (since 2014). Previously, Irene served as a Human Resource Assistant for Servicio Pan Americano de Proteccion, SA de CV, a Brinks Company, in Mexico (2007-2008). Irene received her Bachelor’s Degree in Psychology with a Clinical and Organizational specialization from Universidad Mundial in Mexico. As part of her Degree, she volunteered in a Mental Institution as well as at a Local Hospital

for 1 year.



Blanca Lopez – Clerk I

Blanca has served as a part time Clerk I for the Village of Round Lake Beach since September 2015. Previously, Blanca was employed with Kohl’s Department Stores as a Point of Sales representative (2013-2015).

Blanca has taken courses at the College of Lake County and is working towards her degree.



Edna Hernandez – Clerk I

Edna has served as a part-time Clerk for the Village since October 2015. In the past, Edna has worked as a Paralegal at Kenneth Devaney Attorney at Law in Lake Bluff (2015) and Nye Associates in Buffalo Grove (2014); Assistant at Financial Aid Office at College of Lake County in Grayslake (2013-2014); volunteered with Lord of Glory Lutheran Church in Grayslake, Kids Kingdom Sunday School. Edna earned an Associate Degree in Paralegal Studies from College of Lake County – Illinois.

Finance & Accounting

The primary responsibilities of Accounting & Reporting are managed by Accounting Manager **Matt Rossi** and Part-time Accounting Manager **Veronica Halek**. This area of responsibility is also supported by the use of an outside accounting firm to complete accounting work such as bank reconciliations, month end, and year end close processes where a CPA level Accountant is preferred. Eder Casella & Co. has provided such accounting services for over 6 years.

Staff in this area assists in preparing the following reports: Monthly Treasurer's Report, Monthly Warrants List, Tax Levy, Annual Financial Report (Audit), Annual Budget, Capital Plan, Financial Forecast, and Annual Treasurer's Report (State and County).

Customer Service

Office Manager **Rocio Resendiz** leads the Clerical Staff in the Customer Service area and is supported by three full-time Clerks including **Maria Velazquez**, **Mindy Ramirez**, and **Anabel Arteaga**. The Customer Service area is also supported by three part-time Clerks including **Irene Macias**, **Blanca Lopez**, and **Edna Hernandez**. Clerical Staff is responsible for responding to inquiries and processing customer requests for Finance, Police and Economic Development. Staff also ensures that Village Hall is open and serving residents, businesses, and other customers 5 days per week and Saturday mornings.

Information Technology

The Village has contracted with Prescient Solutions since 2012 to manage its IT Infrastructure. Prescient has provided Helpdesk Support to manage on-site IT operations and standardize ticket tracking. Additional services include Field Network engineering to manage the Village's network infrastructure design, support and maintenance; account management and oversight. Prescient's team was led by account relationship manager **Peter Tichansky** and included on-site Field Network Engineer **Mike Murphy** (left Prescient in September 2015), subsequently Prescient assigned **Austin Germaine**, who has been with the Village since mid-October 2015.

Workload Statistics

The Finance Department tracks several statistics, which indicate the workload in certain functional areas. A year-to-year comparison of these statistics is provided below:

ITEM	2011	2012	2013	2014	2015
# of AP Checks Issued	2,620	2,532	2,729	2,976	2,467
# of Invoices Processed	461	568	258	276	449
# of Journal Entries Prepared	8,273	9,002	10,574	10,388	411*
# of Support Tickets Entered	N/A	N/A	1,234	1,300	1,289
# of Counter Transactions	33,335	30,198	31,092	31,862	31,727
# of Phone Calls	24,387	26,723	25,207	25,920	108,492**
# of Second Notices	8,148	7,887	7,743	6,525	8,226
# of Tags Processed	800	2,638	967	17,91	1,766
# of Water Payments Processed	46,807	45,661	50,372	46,631	47,299
# of UB Work Orders Processed	1,299	1,720	807	1,262	1,375

*The number of journal entries in prior years included a count of every debit and credit as a separate journal entry due to the way the old accounting system (MSI) would run the reports. BS&A appropriately reports the actual number of journal entries, which is included in 2015.

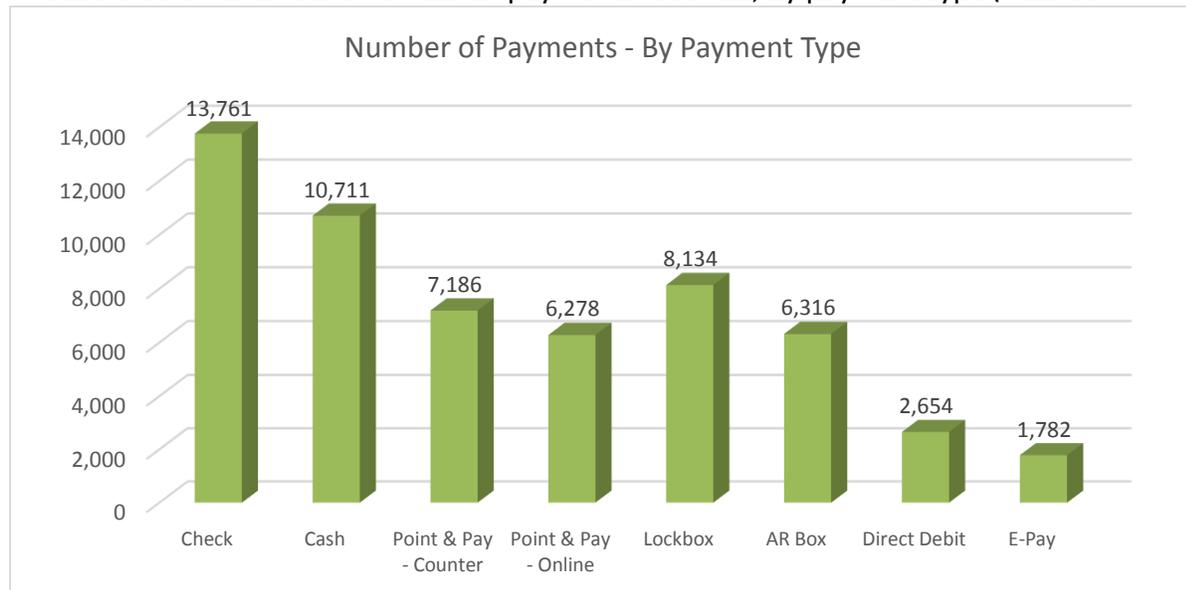
**The number of phone calls prior to 2015 included calls to the Finance Customer Service area only; the number of calls for 2015 includes calls to the Civic Center (when closed to the public), Public Works after hours, Finance, Economic Development and Police.

Efficiencies & Achievements

Point & Pay: Payment Processing System

In March, the Village implemented a new online payment system. This system replaced the Illinois Funds E-Pay system. The Point & Pay system allows residents to view and pay their bills online. Point & Pay allows for the Village to accept payments online and for accounts to be updated in real-time.

The table below shows the number of payments received, by payment type\method:



Point & Pay also serves as the Village’s credit card processing system for over-the-counter transactions. Point & Pay meets PCI compliance; Payment Card Industry Data Security Standard (PCI DSS) is a set of requirements designed to ensure that ALL companies that process, store or transmit credit card information maintain a secure environment. Additionally, in October 2015, new industry standards known as EMV (Europay, MasterCard and Visa) were rolled out; Point & Pay meets this industry standard to accept payments made with the new chip cards. During implementation year, the Village processed 13,464 transactions (combined Counter and Online), the following table shows the number of payments and the total amounts per transaction type:

Receipt Type	# of Receipts	Amount of Receipts
Water Bill Payments	11,386	\$ 1,445,959
Building Permits\Inspections	1,143	\$ 86,913
Police Fines	346	\$ 21,930
Yard Waste	206	\$ 3,808
Civic Center	124	\$ 14,424
Miscellaneous Receipts	117	\$ 22,705
Parking Lot Pass	59	\$ 3,540
Miscellaneous Receivables	52	\$ 24,182
Leaf Collection	31	\$ 325
Grand Total	13,464	\$ 1,623,785

Round Lake Beach – Mobile Application

In October, the Village published its mobile app in both platforms: Google Play and Apple’s AppStore. The app provides a connection between the Village of Round Lake Beach and its citizens and visitors. The app provides convenient access to Agendas, information on facilities, calendar and much more.

Features include:

- News – Receive official news about the local area.
- Calendar – See what’s going on in the Village and sign up for event notifications and changes.
- Emergency Alert – Receive notification about important community news, street closures, road conditions and critical emergencies.
- Link: Cultural & Civic Center Mobile-optimized website
- Link: Mobile site to make payments for many Village services including Water Bills, Miscellaneous Receivables, Civic Center event fees, and many more.

FY2015 Audit

On December 17, 2015, the Village completed its financial audit with an unqualified opinion from its auditors indicating that the financial statements accurately reflect the Village’s financial position. During the audit year, there were a total of 10 audit adjustments totaling \$842,803 made by RSM US, LLP. As compared to prior year audit, during FY2014 there were a total of 15 audit adjustments totaling \$4,441,624 along with a material weakness finding.

What's Next in Finance

IT Consultant Transition

During the period of July 2015 and December 2015, Village Staff sent out Requests for Information (RFI) to several managed IT services companies to provide IT Consulting services for the Village; the main goal was to ensure the Village was obtaining the best value available in the industry via Prescient Solutions, who has been with the Village for a period of 3 years. Out of the 8 companies that were contacted, the Village received 7 responses including Prescient's. In January 2016, Village staff recommended and the Village Board approved to transition IT Services from Prescient Solutions to Impact Networking. This transition is scheduled to be completed in May 2016.

FY2016 Audit & Comprehensive Annual Financial Report

The FY2016 Audit prep-work and field work has been scheduled for FY2016 Audit for June 2016 and July 2016, respectively. In addition to new Internal Control procedures, the Village will be required to implement GASB Standard 68 – Accounting and Financial Reporting for Pensions. This statement requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. This statement also enhances accountability and transparency through revised and new note disclosures and required supplementary information (RSI).

Accounting Manager – Matt Rossi

Mr. Rossi has accepted the Assistant Finance Director position with the Village of Lake in the Hills effective March 28, 2016. Mr. Rossi has been a key member of the Finance Department with the Village; some of the high profile projects Mr. Rossi worked on included assisting in the transition from former Finance Director Brian Gosnell and current Finance Director Kevin Bueso; updating and implementing the Village's ERP System (BS&A); assisting in the completion of the FY2014 & FY2015 Audits; participating in Middle Manager projects with the end results being incorporated into the FY2017 Budget. Staff is grateful for Mr. Rossi's contributions and wish him the best in his new role.

Round Lake Beach Cultural & Civic Center

Mission Statement

The Village of Round Lake Beach Cultural and Civic Center is a Regional Facility where diverse audiences can actively participate in cultural, educational, economic, social and entertainment opportunities.

The Center will provide quality event spaces and services to insure that each event is professional and unique while exceeding the expectations of our clients, patrons, and the residents of Round Lake Beach.

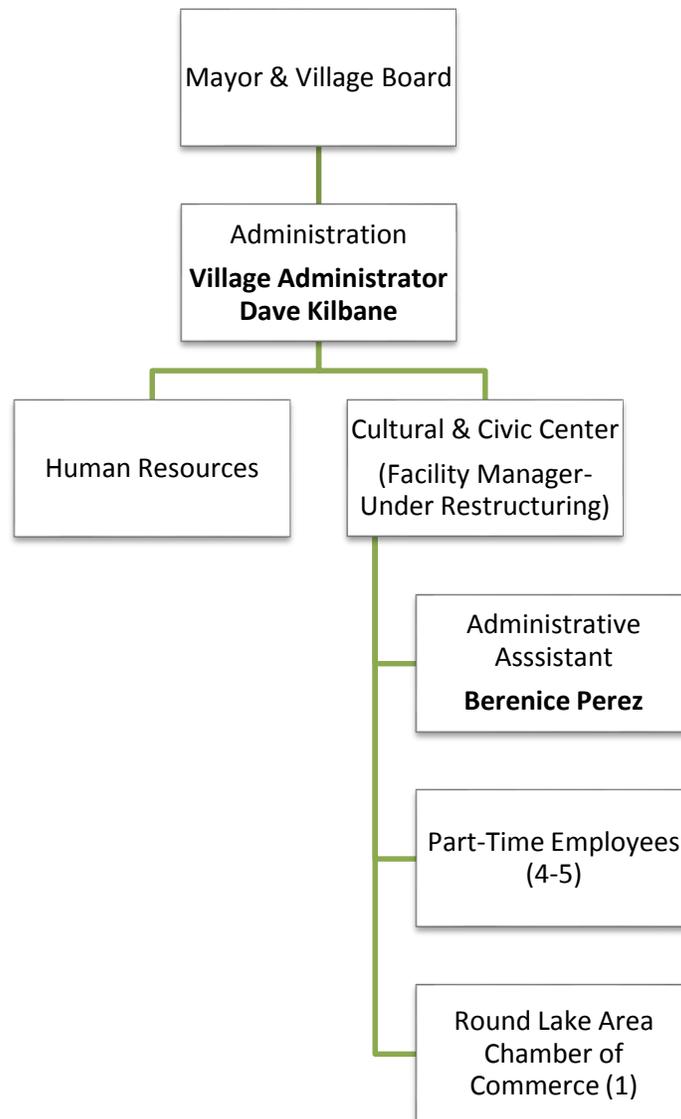
Goals

- Create new audiences and sustain established audiences through a variety of programs ranging from the purely entertaining to the artistically challenging with sensitivity to cultural diversity.
- Work closely with community and business organizations to provide educational and networking programs and opportunities for businesses and organizations from Round Lake Beach and the region.
- Work closely with the Round Lake Area Chamber of Commerce and Community Partners to insure positive communication, unique event spaces and superb services to our clients.
- Work closely with the Center Foundation to motivate community involvement with the Cultural and Civic Center.
- Insure quality control through a variety of communication methods, surveys and prompt responses to our clients and patrons needs.
- Create and carry out marketing plans for the many facets of the Center and the Round Lake Beach area, which insure visibility to all market segments.

Civic Center Structure & Staff

During 2015, the Civic Center experienced two key staff changes, including the departure of Facility Manager **Bryan Adams** in March and also his replacement **Jacki Taylor** in October. The Facility Manager Position is currently vacant and currently under consideration for restructuring.

The Civic Center is currently overseen by Village Administrator Dave Kilbane and supported by 1 Administrative Assistant, **Berenice Perez**. 5 part-time employees are also employed to manage large events. Additionally, the Civic Center is supported by the **Civic Center Foundation, Round Lake Area Chamber of Commerce, and MobileEye**.



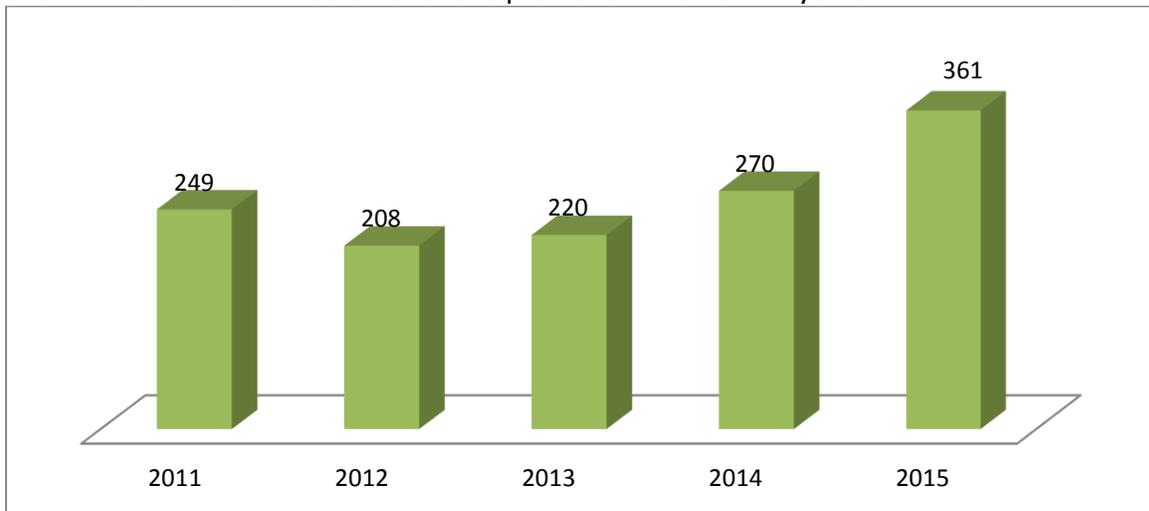
Activity Tracking

The Village continues to expand its tracking methods to improve the efficient operation at the Civic Center. During implementation, the main activity areas being tracked are rental events, rental revenue, and caterers.

The following charts and tables provide an overview of these activities:

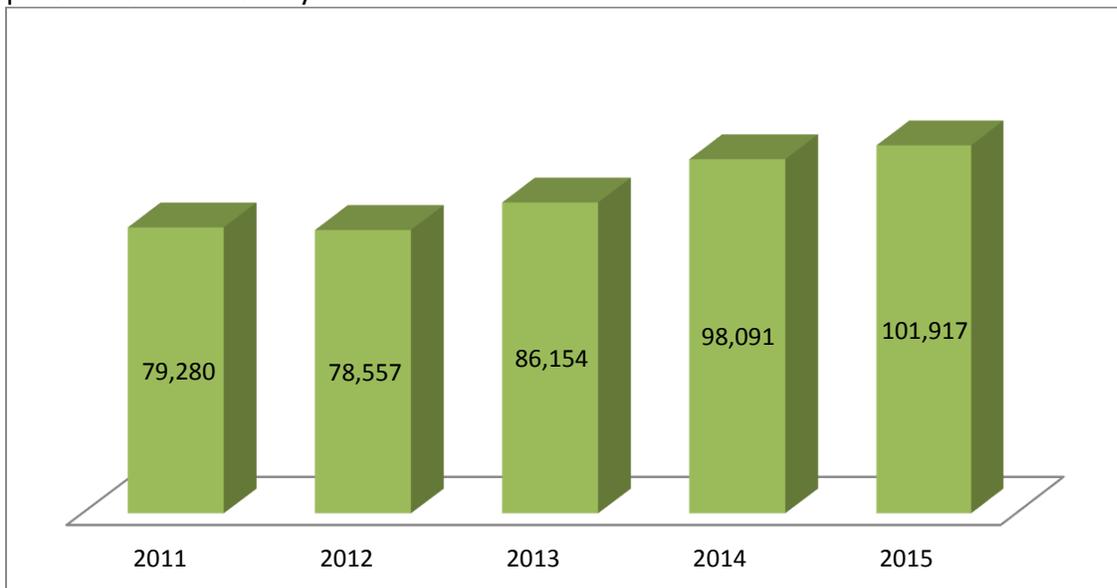
Number of Events

During calendar year 2015, the Civic Center hosted 361 events; this includes any rental events, programs, Village Events, & non-revenue events. The graph below provides a brief overview of the number of events hosted over the previous five calendar years:



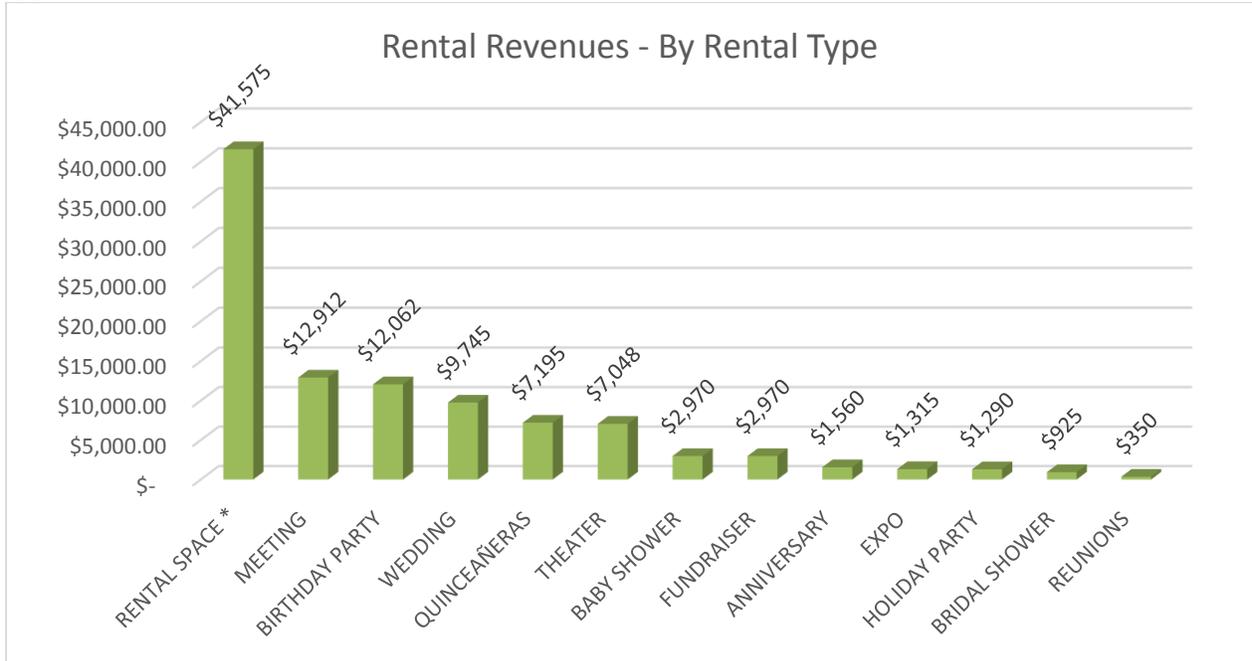
Rental Revenue – By Calendar Year

During calendar year 2015, the Civic Center generated \$101,917 in revenues; this includes all rental events and programs. The graph below provides a brief overview of the revenue over the previous five calendar years:



Rental Revenue – By Type of Event (2015)

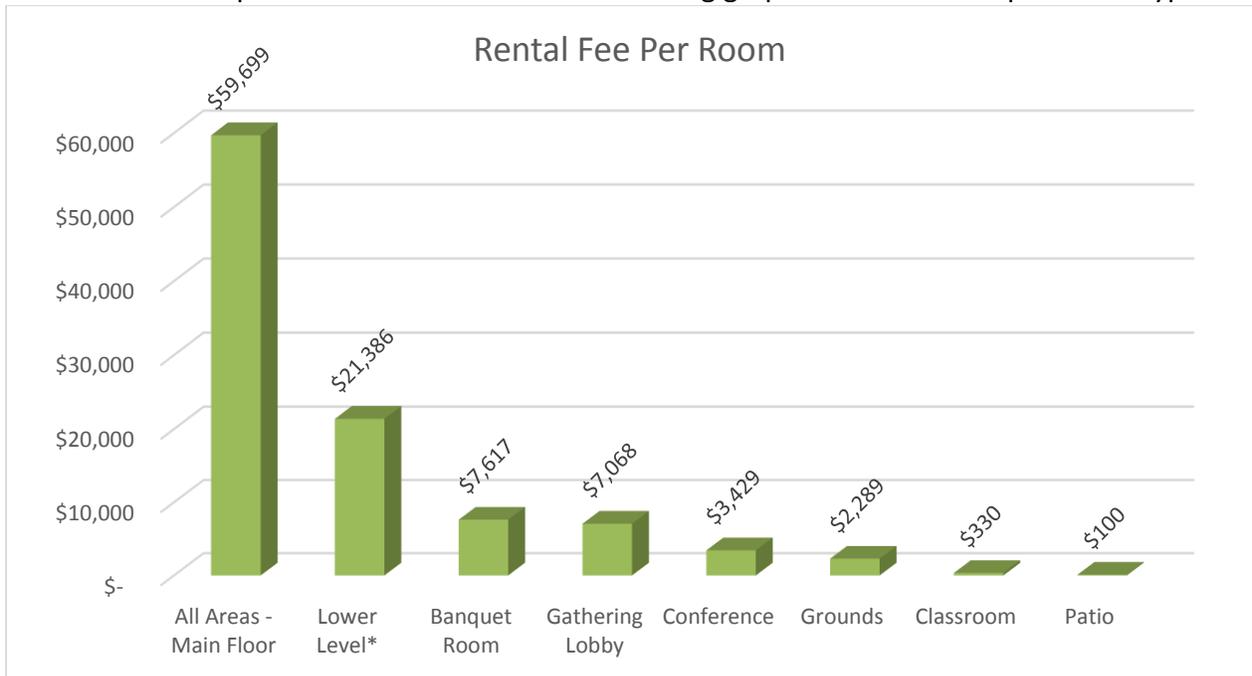
During Calendar Year 2015, the Civic Center hosted several type of events and rental programs including the Lower Level rental to Harvest Church. The following graph shows revenue per rental type:



*Rental Space includes Lower Level area for Harvest Church

Rental Revenue – By Civic Center Area (2015)

During Calendar Year 2015, the Civic Center completed the remodeling of the Lower Level, which made additional space available for rent. The following graph shows revenue per rental type:



*Includes rental by Harvest Church

Rental Revenue – By Customers’ City (2015)

During Calendar Year 2015, the Civic Center hosted 361 total events through 163 customers; through these events, over 25,000 people visited the Civic Center. The 163 customers came from 18 surrounding communities and 3 out-of-state. Excluding the rental agreement with Harvest Church, the average per customer revenue was \$496.00; taking into account the total number of events, the average revenue per event decreases to an average of \$282. The top 5 communities based on number of customers and revenues include Round Lake Beach, Round Lake, Libertyville, Gurnee and Mundelein.

The following table provides a summary of the number of customers and rental revenue per City:

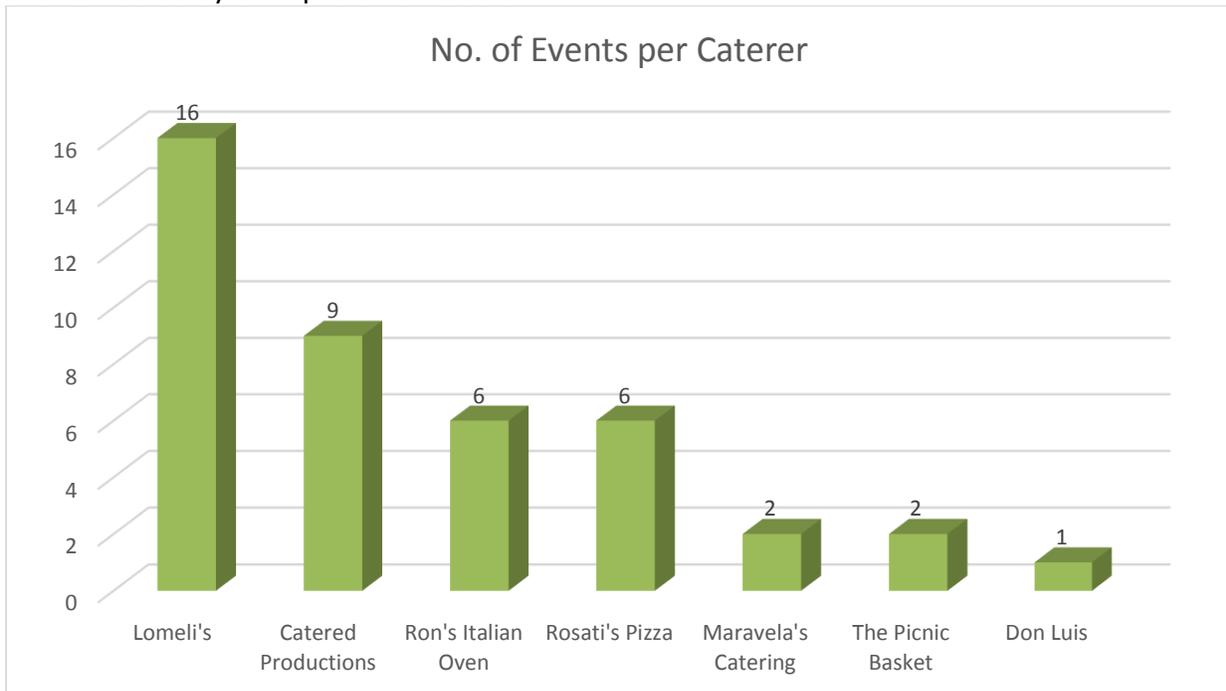
Event Holder City	# of Customers	Rental Revenue
Round Lake Beach	80	\$ 36,795
Lake Zurich	1	\$ 21,566
Round Lake	23	\$ 7,749
Libertyville	8	\$ 7,193
Gurnee	7	\$ 4,690
Mundelein	3	\$ 3,750
Wauconda	3	\$ 3,060
Waukegan	8	\$ 2,944
Round Lake Park	5	\$ 2,855
Grayslake	4	\$ 2,650
Spring Grove	2	\$ 1,875
Round Lake Heights	5	\$ 1,295
Antioch	2	\$ 1,120
Gages Lake	1	\$ 980
Lake Villa	3	\$ 620
Hugo, OK	1	\$ 500
Vista, CA	1	\$ 500
Arlington Heights	1	\$ 475
Buffalo Grove	1	\$ 400
Ingleside	2	\$ 365
Lindenhurst	1	\$ 361
Philadelphia, PA	1	\$ 175
Grand Total	163	\$ 101,917

Preferred Caterers

During 2015, the Civic Center contracted with nine preferred caterers: five large caterers with the ability to serve 100 and more guests and four small caterers for events fewer than 100 guests. Large caterers paid the Civic Center a \$500.00 annual fee and smaller caterers paid a \$250.00 annual fee. The five large caterers are Catered Productions, Lomeli's, Maravela's, Parkway Banquets (terminated in 2016), and Pear Tree; the four small caterers are Rosatti's Pizza, Ron's Italian Oven, Don Luis, and The Picnic Basket. Their activity is reported below:

Events Catered – Preferred Caterers

During 2015, the preferred caterers served a total of 42 events; below is a breakdown of the events hosted by each preferred caterer.



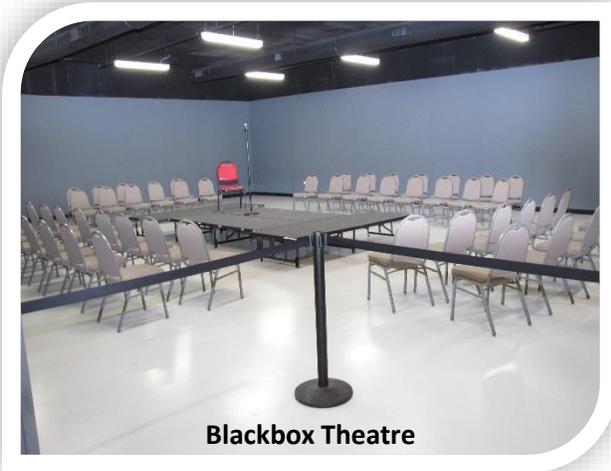
Taxing District Events

During the year, Round Lake area taxing districts have access to the Civic Center to host some of their events. The table below shows the number of events hosted by these taxing districts for the previous three calendar years:

TIF District	2014	2013	2015
RLA Schools	4	6	6
RLA Park District	7	7	5
RLA Library	0	1	0
Total	11	14	11

Lower Level Build Out

During the year, the buildout of the Center's Lower Level was completed and it officially had its open house in September 2015. Below are some pictures of the Open House hosted in September, over 50 people visited the Center during the open house and 3 bookings were indirectly related to the Open House:



Blackbox Theatre



Conference Room



Office Room



Lower Level Hallway