STATE OF ILLINOIS	)	
	)	SS
COUNTY OF LAKE	)	

# IN THE CIRCUIT COURT OF THE NINETEENTH JUDICIAL CIRCUIT LAKE COUNTY - WAUKEGAN, ILLINOIS

IN THE MATTER OF SLOCUM LAKE	)	
DRAINAGE DISTRICT, LAKE COUNTY, ILLINOIS	) ^	NO. 73 MR 107

## REPORT OF TRUSTEE IN DISSOLUTION OF THE SLOCUM LAKE DRAINAGE DISTRICT

This matter comes before the Court on the County of Lake, Illinois *Petition to Dissolve the Slocum Lake Drainage District*. The Court Appointed Trustee-in-Dissolution reports as follows:

#### I. Introduction

On November 12, 2024, the County of Lake ("County") approved an Authorizing Ordinance for the Dissolution of the Slocum Lake Drainage District, a copy of the "Authorizing Ordinance" is attached hereto and marked as Exhibit "A". On March 24, 2025, a Petition to Appoint a Trustee-in-Dissolution was filed with the Court. On April 8, 2025, this Court appointed a Trustee-in-Dissolution to undertake and exercise all powers and duties as set forth in 55 ILCS 5/5-44030. This report is submitted pursuant to the powers set forth by statute.

#### II. Background

On June 30, 1915, the Official Map for the Slocum Drainage District was filed with the Recorder of Deeds, Document No.'s 159844-1 and 159844-2, a copy of which is attached hereto and marked as Exhibit "B". As set forth in the Official Map, easement right-of-ways were established and recorded to allow for the construction of drainage infrastructure within the designated easement. Thereafter, drainage channels, drains, and other infrastructure were constructed and continue to exist.

Under the Lake County Watershed Development Ordinance (WDO) enacted by the County, existing water ways are subject to the minimum county-wide standards as set forth in the

WDO. The WDO is administered and enforced by the Lake County Stormwater Management Commission (LCSMC). The County also has oversight regarding water courses, including channels, drains and infrastructure with the right to inspect and, if necessary, to clear debris and obstructions from waterways. (55 ILCS 5/5-1104)

As set forth in the County's "Authorizing Ordinance", due to the small size of the district, and increased administrative costs, the District is not able to effectively maintain its infrastructure. This inability to maintain operation forms the factual basis for requesting the District to be dissolved.

#### III. Plan of Dissolution

As part of the Authorizing Ordinance to dissolve the District, the Ordinance contains a Plan for Dissolution, which includes the following:

- (1) The transfer of all real and personal property of the District to the County, and the Lake County Stormwater Management Commission.
- (2) The termination of the District's annual maintenance assessment levied against the property located within the District.
- (3) The payment to municipalities, which complete stormwater projects in the District within one year of dissolution provided the reimbursement amount does exceed the geographically based percentage of remaining funds allocated to the municipality.
  - (4) The "winding up" of any other affairs required as part of the dissolution process.

#### IV. Proposed Findings

To accomplish the plan of dissolution, the following findings are respectively submitted for the Court's consideration:

- (1) As set forth in the County's financial review/audit of the District dated September 20, 2024, there are no accounts receivables or amounts due to the District.
- (2) Upon investigation, there are no contracts for future services for the District, which would impose an obligation for payment.

- (3) The only personal property owned by the District consists of: (a) a laptop computer; (b) a bank business account with an ending balance of \$105,604.97 as of May 13, 2025; and (c); the business records of the District.
- (4) That the District owns the stormwater channels and other infrastructures (fixtures to real estate) within the easement right-of-ways as recorded in Lake County Clerk's Recording Division.
- (5) The District has not levied or filed with the County Clerk an annual drainage assessment since 2023. Therefore, no new assessment amounts are currently due and owing.

#### V. Recommendations

It is respectfully recommended that the Order for discharge includes the following provisions:

- (1) All easements, right-of-ways and fixtures to real estate of the Slocum Lake Drainage District, including those indicated by Recorder of Deeds Document No.'s 159844-1 and 159844-2, a copy of which is attached hereto and marked as Exhibit "B" shall be transferred by Court Order to the County of Lake.
- (2) The Lake County Treasurer's Office shall be authorized to disburse all remaining funds of the District after deducting the expense of the Trustee-in-Dissolution and any other expenses necessary to the winding up procedures.
- (3) The County of Lake shall take possession of the laptop and business records of the District and retain or dispose all such records pursuant to the requirements of the Illinois Local Records Act. (50 ILCS 205/1 et. seq.)
- (4) The Commissioners serving the District at the time of dissolution shall be discharged.
- (5) The Lake County Stormwater Management Commission shall reimburse approved reimbursement requests from transferred District funds for a period up to one year pursuant to the terms of the Dissolution Plan.
- (6) The County shall obtain and record a certified copy of the Dissolution Order with the Lake County Clerk's Office Recording Division and take other necessary action required to complete the dissolution of the District.

(7) The County is authorized to undertake any other action to implement the terms of the Final Order of Dissolution.

### VI. Conclusion

This report represents a summary of the information reviewed by the Trustee in Dissolution. The Trustee is available to provide any supplemental information, to conduct further investigation, or provide additional recommendations in order to facilitate the entry of the Final Order of Dissolution in this matter.

Respectfully submitted,

Bryan R. Winter, Attorney for the District

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### **AUTHORIZING ORDINANCE**

Whereas, the Slocum Lake Drainage District ("District") is a Drainage District covering parts of the Villages of Lake Barrington, Port Barrington, Wauconda, and unincorporated Lake County; and

Whereas, the District derives its revenue from a \$14 annual maintenance assessment placed upon the tax bills of properties within the District's boundaries, with the total tax generating around \$10,500; and

Whereas, other than its annual tax revenue, the District, which is made up of three trustees appointed by the County Board, possesses no known interests in property, whether real or personal, other than the tax proceeds in a bank account, some corporate records, one laptop, and an interest in easement rights shown on Document # 159844 on file with the Lake County Recorder; and

Whereas, the County has determined that the functions of the District can be as or more efficiently performed either by the municipalities or township within the District, either independently or in cooperation with each other and the Lake County Stormwater Management Commission, such that the continuing existence of the District is no longer desirable; and

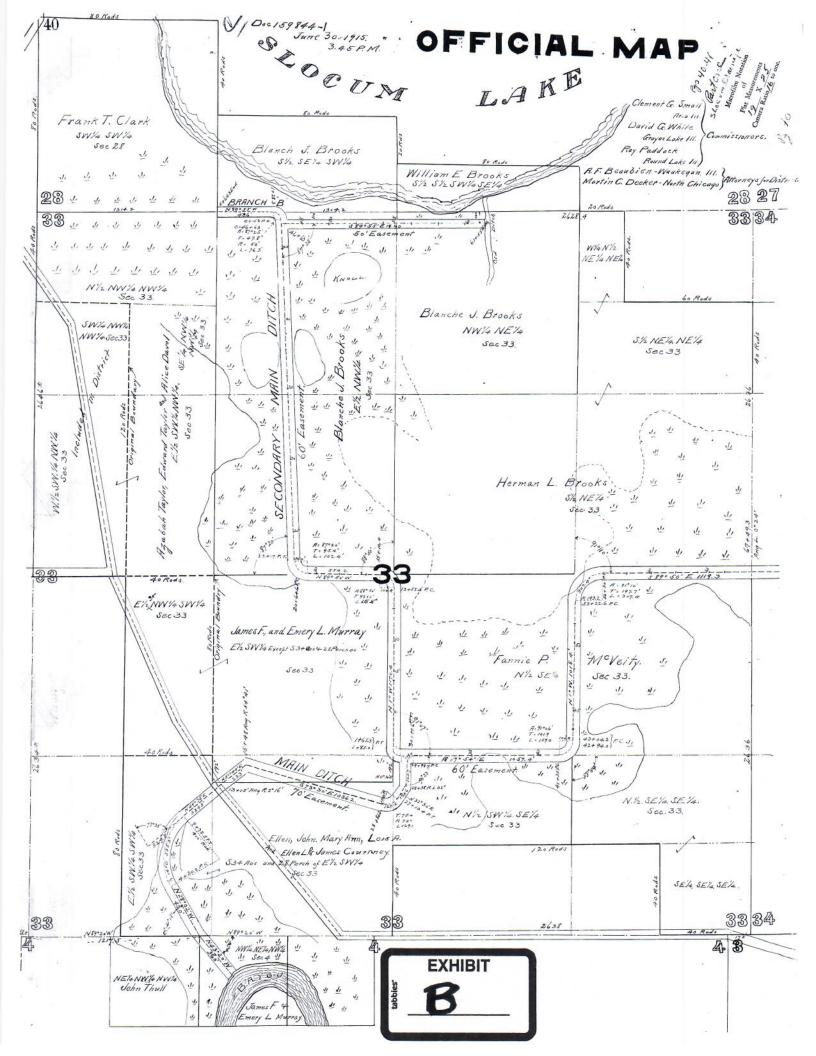
Whereas, under 55 ILCS 5/5-44025, the Lake County Board, by ordinance, proposed the dissolution of the District on August 13, 2024, and published notice of the ordinance on September 23, 2024 in the Chicago Tribune/Lake County News Sun, which is a newspaper of general circulation. The ordinance was also published through the County's

website: <a href="https://www.lakecountyil.gov/DocumentCenter/View/77435/2024-08-13-">https://www.lakecountyil.gov/DocumentCenter/View/77435/2024-08-13-</a>
Proposing-Ordinance-for-Slocum-Lake-DD-Dissolution: and

Whereas, an audit detailing all claims against the District, all receipts of the District, the inventory of all real and personal property owned by the District or under its control or management, and any debts owed by the District was performed by the County and reported to the Finance and Administration Committee of the County Board and is part of the packet of information accompanying this Ordinance's presentation to the full County Board.

**Now, therefore, be it ordained,** that the Board of the County of Lake authorizes the dissolution of the Slocum Lake Drainage District, subject to the Counties Code of the Illinois Compiled Statutes, specifically 55 ILCS 5/5-44025, titled "Dissolution of units of local government."





# SLOCUM DRAINAGE DISTRICT

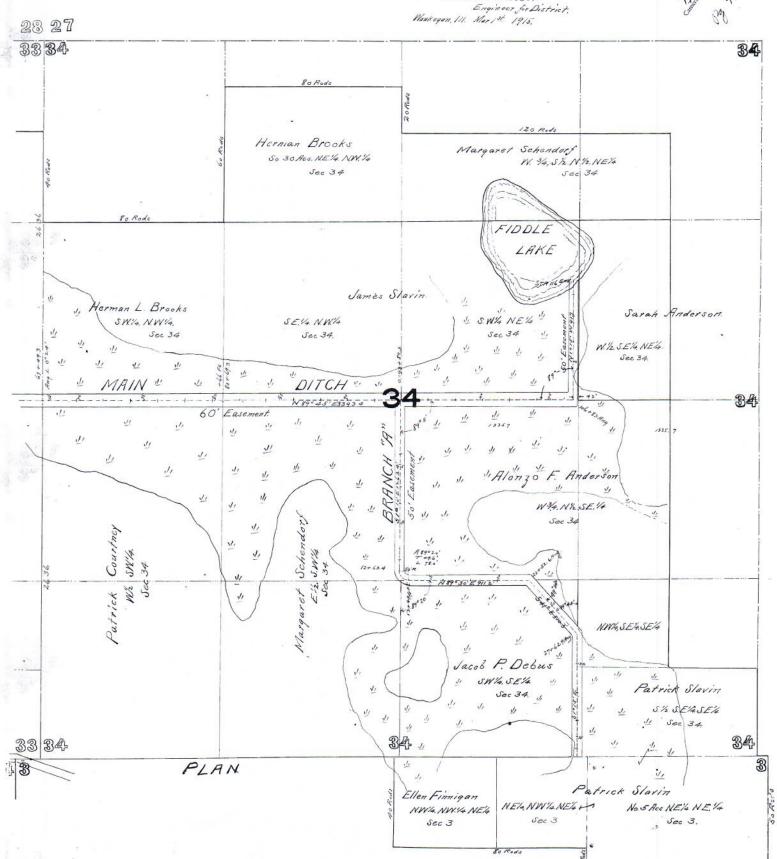
(IN TOWNS OF CUBA & WAUCONDA.)

LAKE CO., ILL.

Soule I" = 300'

Chas. E. Russell. Engineer for District.

159844-2 Control of the state o



Be it further ordained, that costs inherent in operating the District are those associated with the administrative overhead of operating the District, including legal and insurance costs, plus the work performed by County staff, including the staff of the County Clerk and Treasurer, to levy for taxes each year. Dissolving the District will eliminate these costs. Additional cost savings may be achieved by bulk purchasing the services the District previously maintained with other municipal or governmental entities, or eliminating them altogether. The residents of the District will no longer have an assessment for the District on their property tax bills. Each of these savings or efficiencies provides the basis for dissolving the District.

Be it further ordained, that the County shall publish a notice containing this ordinance and including the following information: (1) the specific number of voters required to sign a petition requesting that the question of dissolution be submitted to referendum; (2) the time when such petition must be filed; (3) the date of the prospective referendum; and (4) the statement of the cost savings and the purpose or basis for the dissolution as set forth in the authorizing ordinance.

**Be it further ordained,** that if no petition is filed with the County's election authority (the County Clerk) within 30 days of the notice referenced above being published, or if a valid petition is filed and a referendum held through which the voters authorize the County Board to dissolve the District, then the County Board Chair shall petition in the circuit court that a trustee-in-dissolution be appointed for the District, with the purpose of winding up the affairs of the District under the provisions of the Local Government Reduction and Efficiency Act, 55 ILCS 5/5-44005 *et seq.* 

**Be it further ordained**, that the trustee-in-dissolution, when appointed, shall ensure that any interests in real property are transferred, work to abolish the District's assessment, and distribute its remaining funds based on a percentage consistent with the geographic distribution of the District by jurisdiction, as follows—

Unincorporated: 53.35%

Village of Lake Barrington: 25.4% Village of Port Barrington: 18.97% Village of Wauconda: 2.28%

—unless a municipality listed above ac

—unless a municipality listed above agrees that the funds be transferred to the Lake County Stormwater Management Commission. Funds shall be distributed as reimbursements to the above named entities for activities consistent with those that the District formerly performed in the District's former territory or, if not

claimed by the entities above within one year after dissolution, to the Lake County Stormwater Management Commission for use in the District's former territory.

**DATED** on this 12<sup>th</sup> day of November, 2024, by the County Board of the County of Lake, Illinois.