

Village of Carpentersville, Illinois



ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Year Ended December 31, 2021



The Village of Carpentersville is committed to providing to its citizens the best possible health, safety, and public service to allow for balanced growth with effective financial management and planning.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

For the Year Ended
December 31, 2021

Prepared by the Finance Department
Tanya Walker, Assistant Finance Director

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PRINCIPAL OFFICIALS

December 31, 2021

Village President

John Skillman

Village Manager

Eric Johnson

Board of Trustees

Jeff Frost

Brenda Sandoval

Jim Malone

John O'Sullivan

Humberto Garcia

Maria Vela

Village Clerk

Kelly Mastera

Department Directors

Kevin Gray, *Director of Public Works*

Tanya Walker, *Assistant Director of Finance*

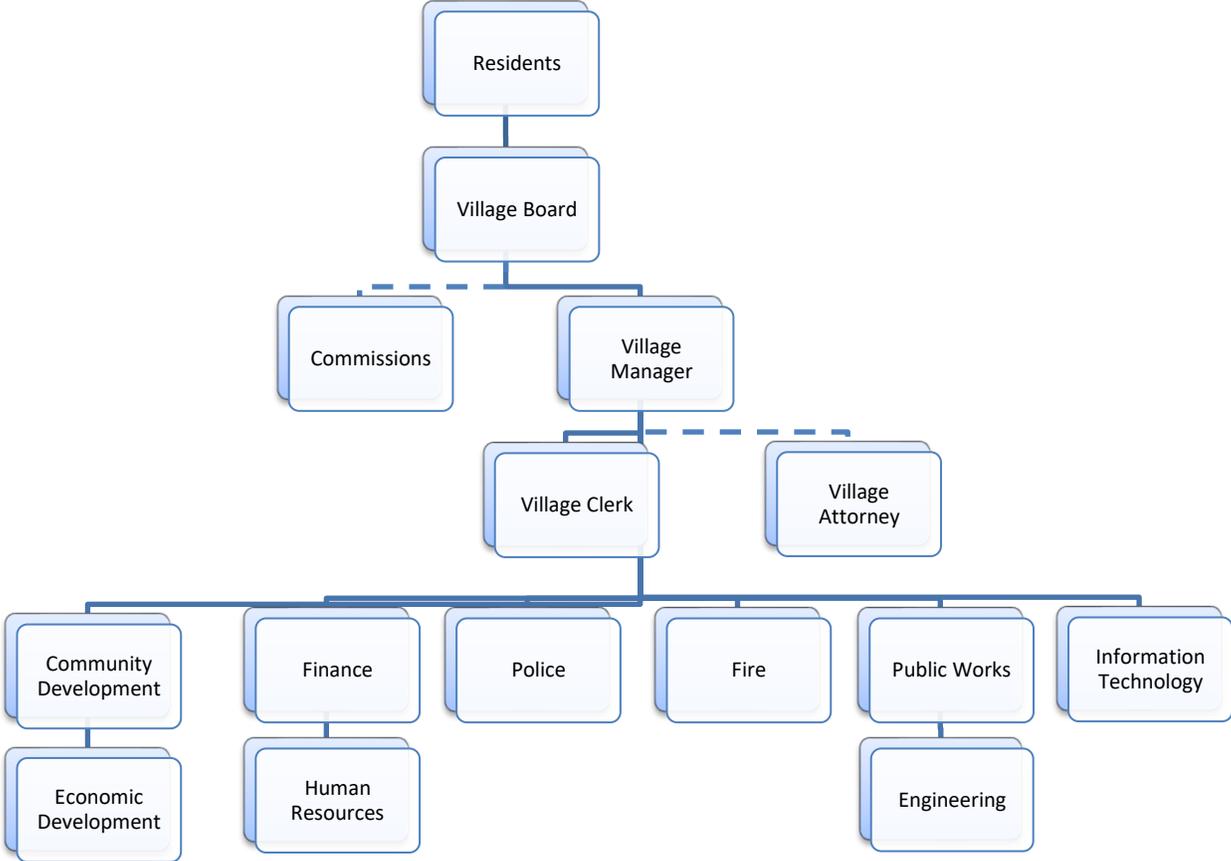
Benjamin Mason, *Community Development Director*

Kevin Roberts, *Director of Information Technology*

Patrick Hoey, *Police Chief*

John-Paul Schilling, *Fire Chief*

ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Village of Carpentersville
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morill

Executive Director/CEO



1200 L.W. Besinger Drive | Carpentersville, IL 60110
Telephone (847) 551-3478 | Fax (847) 426-0864

July 12, 2022

To the Honorable Village President, Village Clerk, Trustees and Residents of the Village of Carpentersville:

The Annual Comprehensive Financial Report (ACFR) of the Village of Carpentersville for the year ending December 31, 2021 is hereby submitted as mandated by both local ordinances and state statutes. These ordinances and statutes require that the Village issue an annual report on its financial position and activity presented in conformance with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards by an independent firm of certified public accountants.

This report consists of management's representations concerning the finances of the Village of Carpentersville. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the Village has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Village of Carpentersville's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Village's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Village's financial statements have been audited by Sikich LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Village of Carpentersville for the fiscal year ending December 31, 2021, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the

audit, that there was a reasonable basis for rendering an unmodified opinion that the Village's financial statements for the year ending December 31, 2021, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

This letter of transmittal is designed to complement Management Discussion and Analysis (MD&A) and should be read in conjunction with it. GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of (MD&A). The Village's MD&A can be found immediately following the report of the independent auditors.

Village of Carpentersville Profile

The Village of Carpentersville, incorporated in 1887, is located in the northwest suburbs of Chicago, just minutes from the Golden Corridor, I-90 Jane Addams Tollway with 3 full access interchanges at Route 25, Route 31, and Randall Road. It currently occupies 9 square miles and serves a population of 37,598. The town has grown from the industrial riverfront community with major expansions occurring in the 1960's moving east and the 2000's moving west. Carpentersville has a diverse housing stock from affordable to high end homes. The Village is empowered to levy a property tax on real property located within its boundaries. The Village is also empowered by state statute to extend its corporate limits by annexation, which it has done from time to time.

The Village of Carpentersville operates under the Council-Manager form of government. Policymaking and legislative authority are vested in the Village Board, which consists of a president and six trustees, all of whom are elected at large. Board members serve four-year terms, with three trustees elected every two years. The Board appoints the Village Manager to oversee the administrative operations, who in turn appoints the heads of various departments.

The Village of Carpentersville provides a full range of services, including police and fire protection; ambulance service for emergency medical situations; design, construction and maintenance of roads, streets and infrastructure; water distribution; storm and sanitary sewer system maintenance and repair; community and economic development and planning; building inspections; licenses and permits; social services; and general and financial administration and services.

The Village Board is required to adopt a budget prior to the start of the fiscal year. This annual budget serves as the foundation for financial planning and control. The budget is prepared by fund, function (e.g. public safety), and department (e.g. police). The Village Manager may transfer resources between departments, programs or line items within the same fund without Board approval. Transfers that increase the total fund budget require special approval from the Village Board.

As demonstrated by the statements and schedules included in the financial section of this report, the Village continues to meet its responsibility for sound financial management.

Major Initiatives

Village staff, following specific directives from the Village Board and the Village Manager, were involved in a variety of projects throughout the year ending December 31, 2021 which reflect the Village's commitment towards its citizens to provide them with the best possible services. Some of the major projects are detailed below:

- Awarded the following funding:
 - \$232,000 for construction costs associated with the 2021 CDBG Resurface Program from Kane :County Community Development Block Grant
 - \$1,920,000 for engineering and construction costs associated with the 2023-2025 LW Besinger Drive Improvement Project from the Surface Transportation Program through the Kane-Kendall Council of Mayors.
- Completed the in-house construction management/inspection and/or engineering plans/documents for the following construction projects:
 - Initiated preliminary design study of the LW Besinger Drive Improvement Project.
 - Initiated design of the Lincolnwood Manor Roadway Improvement Project.
 - Completed design and began Construction of the Wakefield Area Drainage Improvements.
 - Completed construction of the Bolz Road Improvement Project.
 - Completed construction of the Polk Avenue Improvement Project.
 - Completed in-house design and construction of the Helm Road Resurfacing Project.
 - Completed in-house design and construction of the Lincoln Avenue Resurfacing Project.
- The Police Department fostered and/or participated in several community outreach programs.
- The Fire Department has spear headed many initiatives which support collaborative efforts with our neighboring departments to provide better outcomes for our residents, business owners, and guests. The Department has begun to implement organizational and operational changes as directed by the Village Board.

Local Economy

A skilled and diverse area workforce supports healthy manufacturing areas within Carpentersville and the Village has actively supported industrial development. Because of its location in a region with a varied economic base, unemployment had been relatively stable until the effect of the recession was felt in 2009 (12.9%). However, the Village's unemployment rate improved in the last couple of years. At the end of 2021, the unemployment rate was 7.7%. State shared sales tax revenue is one of the Village's largest single revenue sources supporting governmental activities, nearly equivalent to property tax revenues. The Village fosters measures that have a positive impact on the revenues critical to supporting the delivery of basic government services.

The Village's economic assistance policy is designed improve the business climate and has offered development assistance in the form of sales tax rebates and tax increment financing incentives where appropriate to assist in attracting new businesses and retaining current businesses. The Village has a mix of commercial and industrial business, resulting in a diversified tax base.

Long-term Financial Planning and Major Initiatives

The Village utilizes a Capital Improvement Program (CIP) to provide for infrastructure and capital asset repair and replacement. As a part of the budget preparation process, the CIP is reviewed and updated.

Village staff /consultants worked on several major infrastructure projects during 2021. Some of the projects included the LW Besinger Drive Improvement Project and the Lincolnwood Manor Roadway Improvement.

Relevant Financial Policies

The Village Board established financial management policies in 2014 to provide an effective tool for internal controls and fiscal discipline. One of the financial policies establishes minimum fund balance levels for the General Fund, the main operating fund of the Village. This fund balance policy was revised in 2016 to have total fund balance of 25% of annual operating expenditures. As of December 31, 2021, the total fund balance in the General Fund was \$20,409,130 representing 58% of annual General fund operating expenditures. A portion of this fund balance is non-spendable in nature, as it is being loaned to TIF #3 for capital and infrastructure improvements. This loan will be paid down as incremental property tax revenue is generated in the TIF.

The Village has been maximizing investments in categories covered under the Village's investment policy to continue diversifying revenue streams. The policy outlines the type of investments the Village may purchase and creates various guidelines related to diversification, maturities, collateralization, and internal controls. Currently, funds are invested in local bank certificates of deposit, brokered certificates of deposit, the Illinois Metropolitan Investment Fund

(IMET), Municipal Bonds and US Treasury/Agency securities. The maturities of the investments range from being immediately accessible (IMET) to 12-30 months term (certificates of deposit, Municipal Bonds, US Agencies). Investments are made considering the safety, liquidity and investment returns. This diversified approach has helped maximize investment earnings for the Village.

The Village sponsors single-employer defined benefit pension plans for its police officers and firefighters. Each year, an independent actuary engaged by the pension plans calculates the amount of the annual contribution that the Village must make to the pension plan to ensure that the plan will be able to meet its obligations to retired employees as required by State statute. The actuary calculates this obligation using the Entry-Age Normal Method. As a matter of policy, the Village funds each year's annual required contribution to the pension plan according to the Entry Age Normal method as determined by the actuary, which is greater than the amount required by State statute.

The Village also provides pension benefits for its non-public safety employees. These benefits are provided through a state-wide plan managed by the Illinois Municipal Retirement Plan (IMRF). The Village contribution is determined on an annual basis by IMRF.

The capital asset policy provides a basis for determining appropriate insurable values and to establish responsibility for property control. The policy requires that the Village maintain capital asset records to comply with governmental financial reporting standards. Capital assets include land, infrastructure, buildings, machinery, equipment and vehicles.

The Village has a Capital Equipment Replacement Fund (CERF) policy, which requires the Village to set aside funds each year for the eventual replacement of capital assets. Annual contributions to the CERF fund ensure that sufficient funds exist to replace an item at the end of its useful life without having to borrow to cover those costs.

With the implementation GASB 67 and 68 in the past audits, additional information regarding Net Pension Liability and related ratios, investment returns and employer contributions for IMRF, Police and Fire Pension Funds have been provided in the Required Supplementary Information section of the Annual Comprehensive Financial Report. An accounting liability for pensions is also recorded now in the financials (e.g. Net Pension Liability added to the Statement of Net Position).

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to Villages that publish an easily readable and efficiently organized CAFR that satisfies both GAAP and applicable legal requirements. Recently, the Village received the award for its 2020 Comprehensive Annual Financial Report, for an eighth year in a row and will work to achieve the award going forward.

Credit must be given to the Village President and the Board of Trustees for their support in maintaining the highest standards of professionalism in the management of the Village of Carpentersville's finances. Department heads and their staff who assisted and contributed to the timely completion of the audit should also be recognized. Finally, the preparation of this report could not have been accomplished without the efficient and dedicated services of the entire Finance Department staff.

Respectfully submitted,

A handwritten signature in black ink that reads "Tanya Walker". The signature is written in a cursive, flowing style.

Tanya Walker
Assistant Finance Director

INDEPENDENT AUDITOR'S REPORT

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Naperville, IL 60563
630.566.8400

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INDEPENDENT AUDITOR'S REPORT

The Honorable President
Members of the Board of Trustees
Village of Carpentersville, Illinois

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Carpentersville, Illinois (the Village) as of and for the year ended December 31, 2021 and the related notes to financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Carpentersville, Illinois, as of December 31, 2021 and the respective changes in financial position and, where applicable, cash flows thereof for the year ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under these standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management 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 and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit 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 Village's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

The 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 combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Sikich LLP

Naperville, Illinois

July 12, 2022

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

VILLAGE OF CARPENTERSVILLE, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2021

As management of the Village of Carpentersville, we offer readers of the Village of Carpentersville's financial statements this narrative overview and analysis of the financial activities of the Village of Carpentersville for the fiscal year ended December 31, 2021. We encourage readers to consider the information presented here in conjunction with the financial statements.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Village of Carpentersville exceeded its liabilities and deferred inflows of resources by \$126,001,301 (*net position*). \$(8,290,438) of this amount is considered unrestricted net position, which is negative because of a change in net pension liabilities being reported.
- The Village's total net position increased by \$11,641,573. Governmental activities net position increased by \$10,951,563. Business-type net position increased by \$690,010.
- On December 31, 2021, the Village's governmental funds reported combined fund balances of \$30,211,475, an increase of \$5,788,196 in comparison with the prior year.
- At the end of the current fiscal period, unrestricted fund balance (the total of the *committed*, *assigned*, and *unassigned* components of *fund balance*) for the General Fund was \$17,577,218 or approximately 58% of the general fund's expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements. These financial statements consist of three parts: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the Village's finances, in a manner similar to private-sector business.

The *statement of net position* presents financial information on all of the Village of Carpentersville's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The *statement of activities* presents information showing how the Village of Carpentersville's net position changed during the most recent fiscal period. All changes in net position are reported as soon as the underlying event giving rise to the challenge occurs, *regardless of the timing of the related cash flows*. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation time).

Both the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*).

VILLAGE OF CARPENTERSVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2021

The governmental activities reflect the Village's basic services, including police, fire, public works, community development, culture/recreation and general government. The business-type activities of the Village include a Water and Sewer operation.

The government-wide financial statements can be found on pages 5-8 of this report.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The fund financial statements allow the demonstration of compliance with finance-related legal requirements. The focus is on major funds, rather than fund types. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Village's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Village maintains sixteen (16) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, TIF #3 Route 25 Fund, and the Capital Improvement Projects Fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Village adopts an annual appropriated budget for its governmental and enterprise funds. A budgetary comparison statement has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 9-13 of this report.

Proprietary Funds – The Village maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type* activities in the government-wide financial statements. The Village uses an enterprise fund to account for its Water and Sewer operations. *Internal Service funds* are an accounting device used to accumulate and allocate costs internally among the Village's various functions. The Village uses an internal service fund to account for Health Insurance and Risk Management.

Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2021

Proprietary fund financial statements present the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found on pages 14-18 of this report.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are *not* reported in the government-wide financial statements because the resources of those funds *are* not available to support the Village’s own programs. The accounting for fiduciary funds is much like that used for proprietary funds.

The Village maintains one type of fiduciary fund. The Police and Firefighters’ pension funds are used to report resources held in trust for retirees and beneficiaries covered by the Police or Fire pension plans.

The fiduciary fund financial statements can be found on pages 19-20 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 21-72 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information which include the budgetary comparison schedule for the General Fund and TIF #3 Route 25 Fund and information concerning the Village’s progress in funding its obligation to provide pension and OPEB benefits to its employees. Required supplementary information can be found on page 73-87 of this report.

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information on pensions and OPEB. Combining and individual fund statements and schedules can be found on pages - 88-116 of this report.

GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

An analysis of the Village’s financial position begins with a review of the Statement of Net position and the Statement of Activities. These two statements report the Village’s net position and changes therein. It should be noted that the financial position could also be affected by non-financial factors, including economic conditions, population growth and new regulations.

Government-wide Statements

Net position may serve over time as a useful indicator of a government’s financial position. In the case of the Village of Carpentersville, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$126,001,301 as of December 31, 2021. A summary of the Village’s Statement of Net position is presented below in Table 1.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2021

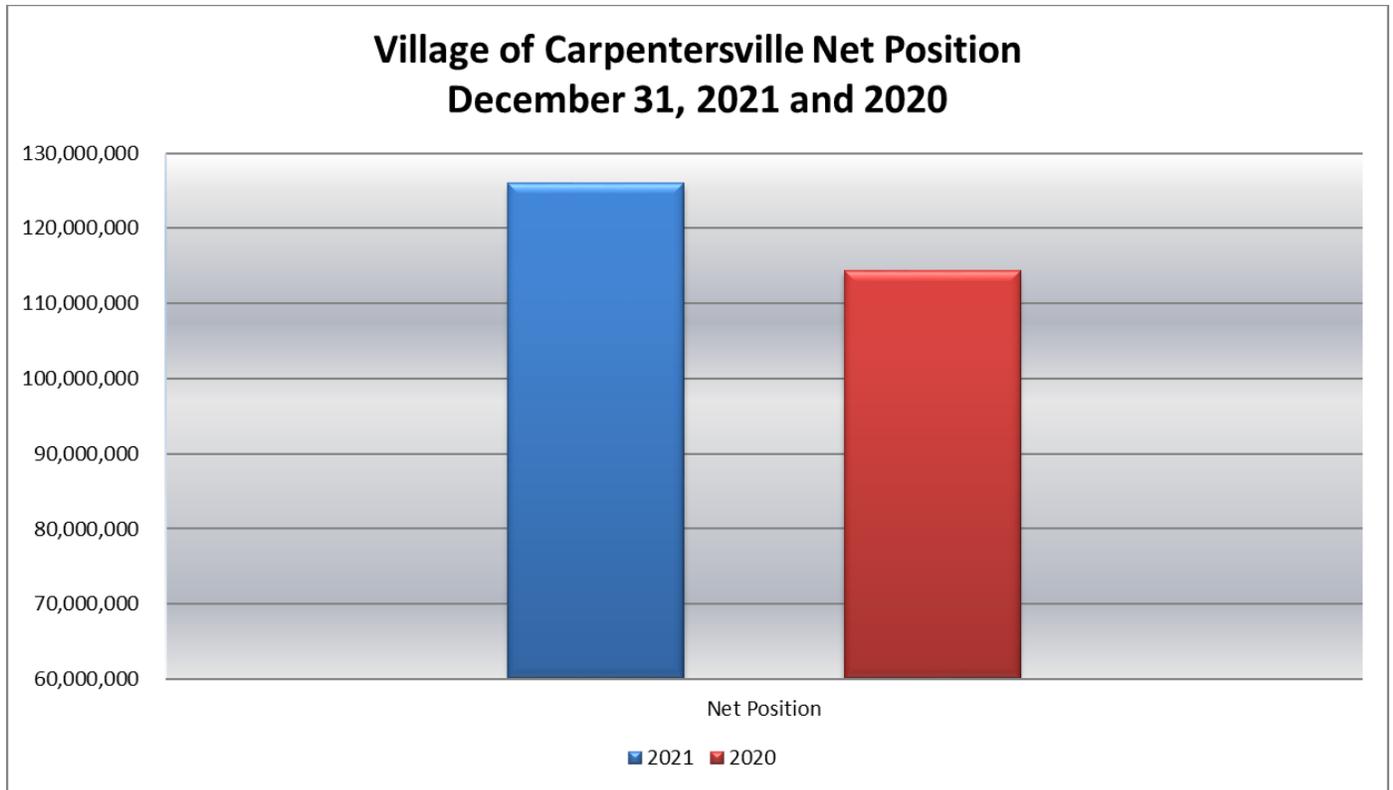
Table 1: Condensed Statements of Net Position

| | Governmental Activities | | Business-type Activities | | Totals | |
|---|-------------------------|---------------------|--------------------------|---------------------|----------------------|----------------------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Assets | | | | | | |
| Current assets | \$ 57,766,030 | \$ 48,529,590 | \$ 11,660,984 | \$ 11,358,238 | \$ 69,427,014 | \$ 59,887,828 |
| Capital assets | 116,588,269 | 118,062,223 | 42,072,909 | 43,824,835 | 158,661,178 | 161,887,058 |
| Total Assets | 174,354,299 | 166,591,813 | 53,733,893 | 55,183,073 | 228,088,192 | 221,774,886 |
| Deferred Outflows of Resources | | | | | | |
| Pension and other benefit items | 7,246,645 | 3,784,150 | 632,108 | 564,992 | 7,878,753 | 4,349,142 |
| Asset Retirement Obligation | - | - | 354,040 | 369,360 | 354,040 | 369,360 |
| Other post employment benefit items | 1,404,110 | 1,429,533 | 51,468 | 100,542 | 1,455,578 | 1,530,075 |
| Deferred charge on refunding | 310,938 | 352,823 | 109,449 | 125,085 | 420,387 | 477,908 |
| Total Deferred outflow s | 8,961,693 | 5,566,506 | 1,147,065 | 1,159,979 | 10,108,758 | 6,726,485 |
| Total Assets and Deferred outflow s | 183,315,992 | 172,158,319 | 54,880,958 | 56,343,052 | 238,196,950 | 228,501,371 |
| Liabilities | | | | | | |
| Current liabilities | 10,745,270 | 6,999,687 | 856,437 | 887,715 | 11,601,707 | 7,887,402 |
| Long-term liabilities | 59,751,555 | 65,303,311 | 8,192,300 | 10,867,565 | 67,943,855 | 76,170,876 |
| Total Liabilities | 70,496,825 | 72,302,998 | 9,048,737 | 11,755,280 | 79,545,562 | 84,058,278 |
| Deferred Inflow s of Resources | | | | | | |
| Deferred Property Taxes | 15,518,917 | 15,514,810 | - | - | 15,518,917 | 15,514,810 |
| Other post employment benefit items | 1,136,169 | 1,254,948 | 41,647 | 88,263 | 1,177,816 | 1,343,211 |
| Pension items | 14,853,925 | 12,726,970 | 1,099,429 | 498,374 | 15,953,354 | 13,225,344 |
| Total Deferred inflow s | 31,509,011 | 29,496,728 | 1,141,076 | 586,637 | 32,650,087 | 30,083,365 |
| Total Liabilities and Deferred Inflow s | 102,005,836 | 101,799,726 | 10,189,813 | 12,341,917 | 112,195,649 | 114,141,643 |
| Net Position | | | | | | |
| Net investment | | | | | | |
| in capital assets | 92,473,845 | 91,880,072 | 34,779,731 | 34,783,848 | 127,253,576 | 126,663,920 |
| Restricted | 7,038,163 | 6,246,116 | - | - | 7,038,163 | 6,246,116 |
| Unrestricted | (18,201,852) | (27,767,595) | 9,911,414 | 9,217,287 | (8,290,438) | (18,550,308) |
| Total Net Position | \$81,310,156 | \$70,358,593 | \$44,691,145 | \$44,001,135 | \$126,001,301 | \$114,359,728 |

The largest portion of the Village's net position reflects its investment in capital assets (e.g., land, buildings and improvements, machinery and equipment, and infrastructure), less any debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Village's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the government's ongoing obligation to citizens and creditors.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2021



The Village's overall net position increased \$11,641,573 from the prior fiscal year.

The Statement of Net position shows the changes in financial position of net position. In addition, the specific nature or source of these changes then becomes more evident in the Statement of Activities as shown below in Table 2.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2021

Table 2: Condensed Statement of Activities

| | Governmental Activities | | Business-type Activities | | Totals | |
|--|-------------------------|---------------------|--------------------------|---------------------|----------------------|----------------------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Revenues | | | | | | |
| Program Revenues | | | | | | |
| Charges for services | \$ 4,483,559 | \$ 3,411,009 | \$ 8,852,462 | \$ 8,863,120 | \$ 13,336,021 | \$ 12,274,129 |
| Operating grants and contributions | 2,826,225 | 6,021,825 | - | - | 2,826,225 | 6,021,825 |
| Capital grants and contributions | 1,418,437 | 4,434,432 | - | - | 1,418,437 | 4,434,432 |
| General Revenues | | | | | | |
| Taxes | | | | | | |
| Property taxes | 15,469,925 | 15,084,530 | - | - | 15,469,925 | 15,084,530 |
| Sales tax | 12,084,586 | 9,468,568 | - | - | 12,084,586 | 9,468,568 |
| Use tax | 1,463,860 | 1,709,818 | - | - | 1,463,860 | 1,709,818 |
| Utility tax | 1,561,136 | 1,478,562 | - | - | 1,561,136 | 1,478,562 |
| Local motor fuel | 362,080 | 296,948 | - | - | 362,080 | 296,948 |
| Telecommunications | 248,811 | 294,070 | - | - | 248,811 | 294,070 |
| Other taxes | 563,331 | 290,688 | - | - | 563,331 | 290,688 |
| Intergovernmental | | | | | | |
| Income tax | 5,055,517 | 4,161,042 | - | - | 5,055,517 | 4,161,042 |
| Replacement tax | 290,165 | 168,906 | - | - | 290,165 | 168,906 |
| Investment income | 85,858 | 168,580 | 731 | 28,137 | 86,589 | 196,717 |
| Other/miscellaneous | 421,149 | 613,973 | 93,659 | 86,275 | 514,808 | 700,248 |
| Gain on sale of capital assets | - | - | - | - | - | - |
| Total Revenues | 46,334,639 | 47,602,951 | 8,946,852 | 8,977,532 | 55,281,491 | 56,580,483 |
| Expenses | | | | | | |
| General government | 5,876,817 | 5,509,036 | - | - | 5,876,817 | 5,509,036 |
| Public safety | 15,939,629 | 15,800,960 | - | - | 15,939,629 | 15,800,960 |
| Public works | 11,389,641 | 6,036,163 | - | - | 11,389,641 | 6,036,163 |
| Community development | 1,551,397 | 1,471,839 | - | - | 1,551,397 | 1,471,839 |
| Culture and recreation | 281,244 | 313,758 | - | - | 281,244 | 313,758 |
| Waterworks and sewerage | - | - | 7,949,681 | 7,559,814 | 7,949,681 | 7,559,814 |
| Interest and fiscal charges | 651,509 | 1,339,983 | - | - | 651,509 | 1,339,983 |
| Total Expenses | 35,690,237 | 30,471,739 | 7,949,681 | 7,559,814 | 43,639,918 | 38,031,553 |
| Increase (Decrease) in Net Position | | | | | | |
| Before Transfers | 10,644,402 | 17,131,212 | 997,171 | 1,417,718 | 11,641,573 | 18,548,930 |
| Transfers | | | | | | |
| | 307,161 | - | (307,161) | - | - | - |
| Change in Net Position | 10,951,563 | 17,131,212 | 690,010 | 1,417,718 | 11,641,573 | 18,548,930 |
| Beginning Net Position | 70,358,593 | 53,227,381 | 44,001,135 | 42,583,417 | 114,359,728 | 95,810,798 |
| Change in Accounting Principle | - | - | - | - | - | - |
| Net Position, Restated | 70,358,593 | 53,227,381 | 44,001,135 | 42,583,417 | 114,359,728 | 95,810,798 |
| Ending Net Position | \$81,310,156 | \$70,358,593 | \$44,691,145 | \$44,001,135 | \$126,001,301 | \$114,359,728 |

VILLAGE OF CARPENTERSVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2021

Governmental Activities

During the current fiscal period, net position for governmental activities increased \$10,951,563 from the prior fiscal year for an ending balance of \$81,310,156.

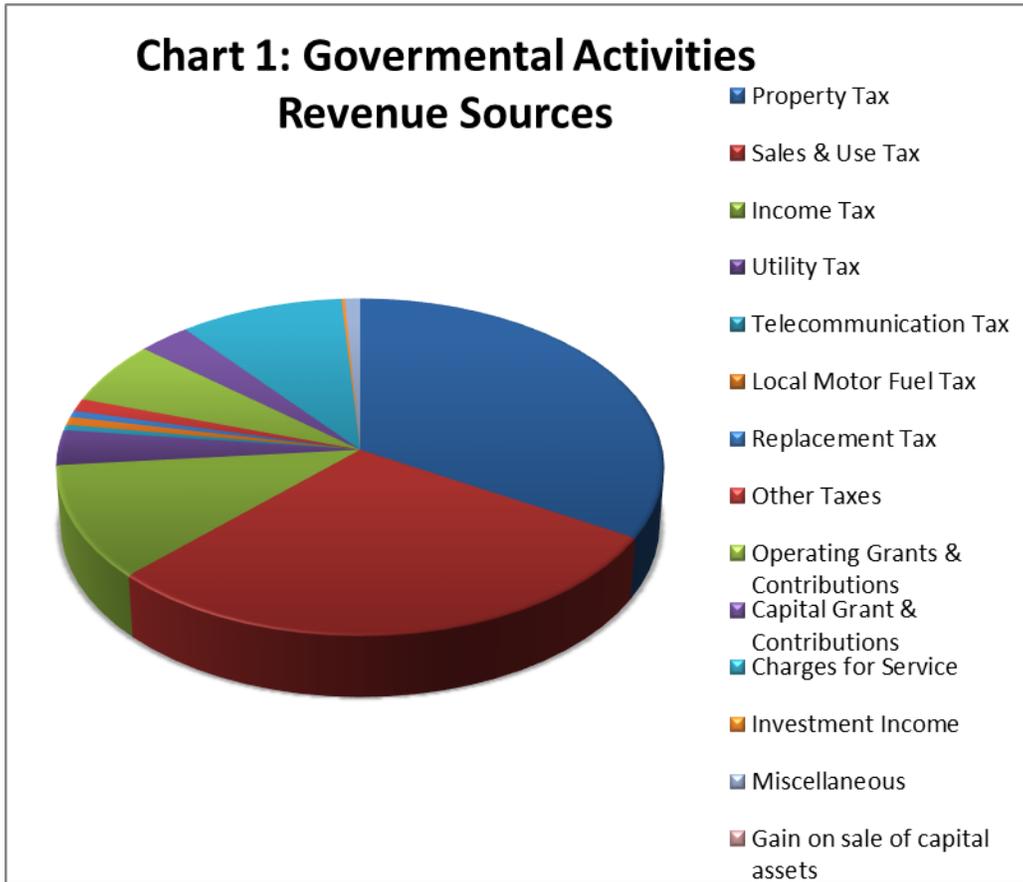
Current Year Impacts

- ◆ Municipal and Home Rule Sales tax realized a 27.6% increase due to increased sales related to COVID-19 purchases by consumers.
- ◆ Telecommunication taxes decreased 15.4% from the prior year. The 2019 and 2020 fiscal years had 23% and 12.2% decreases, respectively. The Village anticipates continued reductions in revenue and will continue to budget accordingly. These decreases come from COVID-19 related reduction in prices to consumers; specifically discounting and bonus to consumers to help with some financial relief.
- ◆ Income taxes increased 21.5% over the prior year. The 2019 fiscal year had 11.1% increase while 2020 fiscal year had 12.2% increase. Prior to this, income tax had previously risen all of the previous five fiscal years as the economy continued to rebound from the decline of 2007.
- ◆ The Village continues to receive construction grants from the State of Illinois and Federal Government to mitigate construction costs. This year, the Village recognized \$4 million in grants and contributions. The Village continues to apply for more grants and will do so in coming years.
- ◆ Continued investment in capital assets for the Village, with \$3,616,965 in new capital assets added to the governmental activities. The Village will continue to monitor and expand their Capital Program and will be creating a long term financial plan for budgetary purposes in FY22.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2021

Revenues

An analysis of the Village’s governmental activities revenue sources is presented below in Chart 1.



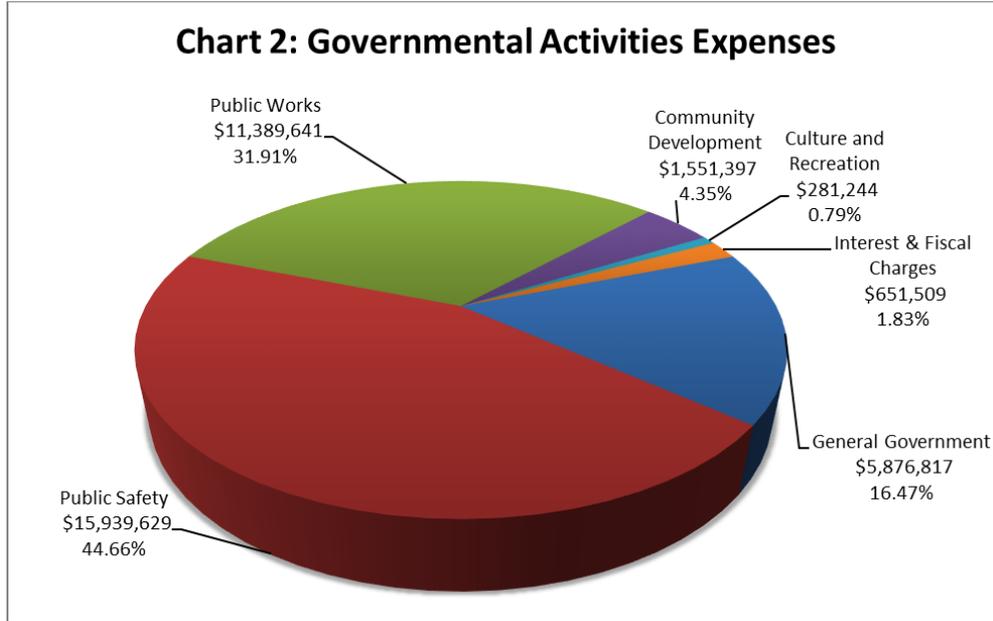
For the fiscal year ended December 31, 2021, revenues from governmental activities totaled \$46,334,639. Property taxes totaled \$15,469,925 representing 33% of total governmental funds’ revenue. Sales and use taxes account for 29% of revenue and local utility tax combined with state income tax represents 14% of total governmental activity revenue.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)

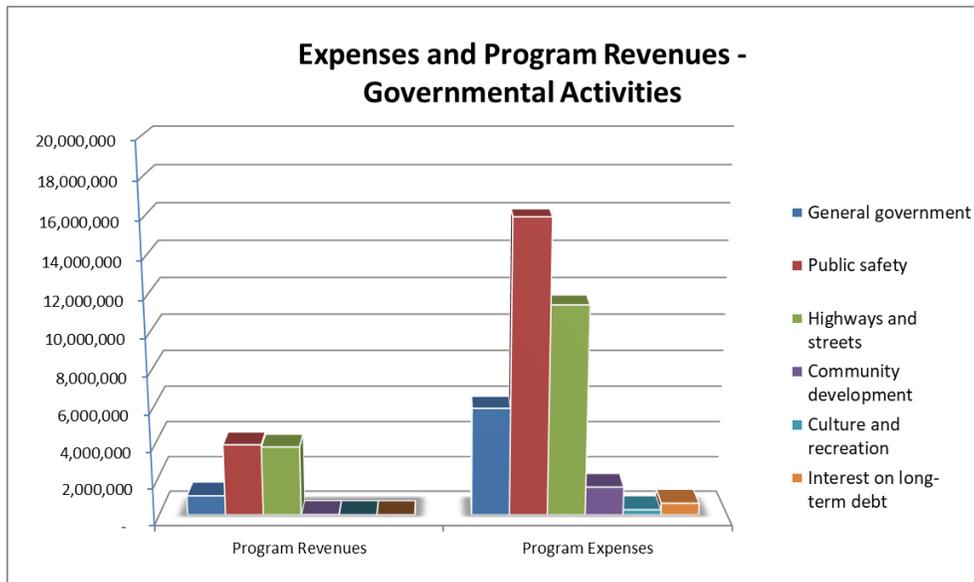
DECEMBER 31, 2021

Expenses

An analysis of the Village’s governmental activities expenses by category is presented below in Chart 2.



For the fiscal year ended December 31, 2021 expenses from governmental activities totaled \$35,690,237. Public Safety, Public Works, and Community Development account for 45%, 32%, and 4% of all governmental activities’ expenses, respectively.



VILLAGE OF CARPENTERSVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2021

Business-Type Activities

During the current fiscal period, net position for business-type activities increased \$690,010 from the prior fiscal year for an ending balance of \$44,691,145.

Current Year Impacts

- ◆ Operating expenses of \$7,949,681 increased 5% compared to 2020.
- ◆ Water and sewer charges for services totaled \$8.85 million for 2021 slight decrease from 2020 \$8.86 million.

Financial Analysis of the Village Funds

As noted earlier, the Village of Carpentersville uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

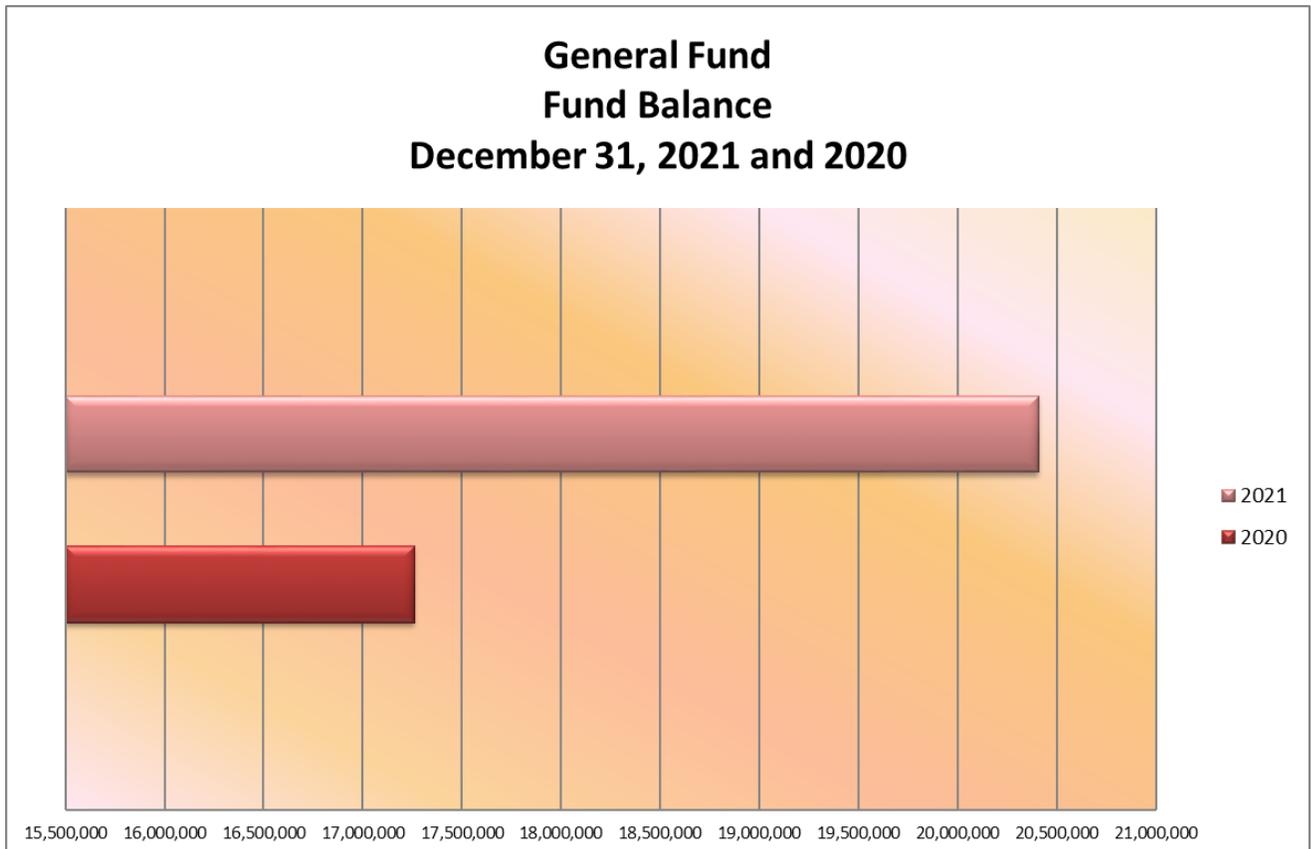
VILLAGE OF CARPENTERSVILLE, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2021

Governmental Funds

The focus of the Village’s *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village’s financial requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the Village of Carpentersville itself, or a group or individual that has been delegated authority to assign resources for use of particular purposes by the Village’s Board.

At December 31, 2021, the governmental funds reported a combined fund balance of \$30,211,475, which is a 23.7% increase from the beginning of the year of \$24,423,279. Positive fund balances are *nonspendable, restricted, or assigned* to indicate that it is 1) not in spendable form (\$3,089,380), 2) restricted or legally required to be maintained intact (\$6,638,844), and 3) assigned for particular purposes (\$15,510,615).

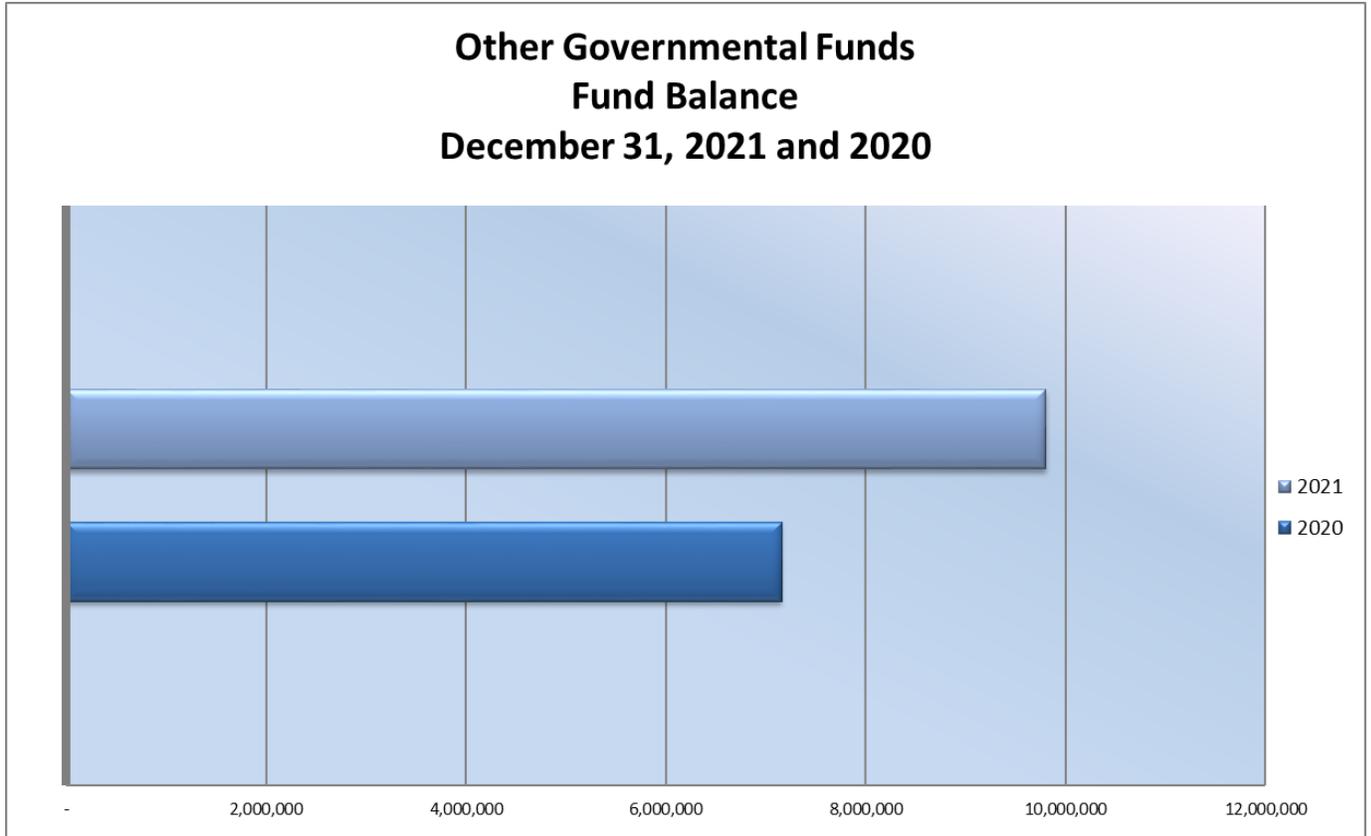


The General Fund is the Village’s primary operating fund and the largest source of day-to-day service delivery. At the end of the current fiscal period, unassigned fund balance of the general fund was \$8,364,641 while total fund balance in the General Fund increased from \$17,261,836 in fiscal year 2020 to \$20,409,130 in fiscal year 2021.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2021

As a measure of the General Fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents approximately 41% of total general fund expenditures, while total fund balance represents approximately 86.12% of that same amount. The increase in fund balance is largely due to revenues being more than budgeted and some expenditures coming in under budget.



The Capital Improvement Project Fund reported fund balance of \$4,777,865 as of December 31, 2021, an increase of \$223,248 from the 2020 fund balance of \$4,554,617 as a result of planned capital expenditures. TIF #3 Route 25 Fund had deficit fund balance of \$3,374,708 as of December 31, 2021. This deficit will decrease as incremental property taxes are received.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2021

Proprietary Funds

The Village of Carpentersville’s proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Waterworks and Sewerage Fund was \$9,911,414. At December 31, 2021 the proprietary funds’ total net position increased by \$690,010 or 1.57%, from \$44,001,135 in 2020 to \$44,691,145 in 2021.

General Fund Budgetary Highlights

Original budget compared to final budget. During the year, the Village made no amendments to the original budgeted appropriations.

Fund budget compared to actual results.

The most significant differences between estimated and actual revenues were as follows:

| Revenue Source | Budgeted Revenues | Actual Revenues | Difference | % Difference |
|-----------------------|--------------------------|------------------------|-------------------|---------------------|
| Sales Tax | \$ 9,122,000 | \$ 12,084,586 | \$ 2,962,586 | 32.48% |
| Video Gaming Tax | 333,921 | 453,029 | 119,108 | 35.67% |
| Income Tax | 3,769,100 | 5,055,517 | 1,286,417 | 34.13% |
| Utility Tax | 1,450,000 | 1,561,136 | 111,136 | 7.66% |
| Ambulance | 1,102,000 | 1,914,821 | 812,821 | 73.76% |

Sales Tax have been making a steady comeback over the last few fiscal years. In addition, Walmart provided additional Sales Tax this year as they entered their fifth full year of operation. Income Tax previously had shown a decline over the past few years and has rebounded slightly in 2020 and continuing to grow in the current year. Video Gaming Tax has shown increase due to increasing the number of terminals allowed at each location.

The most significant differences between budgeted and actual expenditures were as follows:

| Expenditure Type | Budgeted Expenditures | Actual Expenditures | Difference | % Difference |
|-------------------------|------------------------------|----------------------------|-------------------|---------------------|
| Administration | \$ 299,581 | \$ 168,917 | \$ (130,664) | -43.62% |
| General Services | 4,074,514 | 3,950,670 | (123,844) | -3.04% |
| Legislative | 299,853 | 240,831 | (59,022) | -19.68% |
| Streets and Highways | 2,505,125 | 2,085,986 | (419,139) | -16.73% |
| Community Development | 1,416,552 | 1,237,493 | (179,059) | -12.64% |

Administration saw some savings due to position vacancies. Police noted savings in several department line items. Legislative noted savings due to events that were not able to take place during covid. The Streets and Highways Department noted savings in several department line items. Community Development Department saw savings in position vacancies along with savings in several department line items.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2021

Table 3: Capital Assets

| | Governmental Activities | | Business-type Activities | | Totals | |
|--------------------------------|-------------------------|-----------------------|--------------------------|----------------------|-----------------------|-----------------------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Land | \$ 4,098,023 | \$ 4,098,023 | \$ 1,249,761 | \$ 1,249,761 | \$ 5,347,784 | \$ 5,347,784 |
| Right of ways | 13,530,047 | 13,479,440 | - | - | 13,530,047 | 13,479,440 |
| Construction in Progress | 14,917,744 | 16,741,124 | 1,915,738 | 1,265,589 | 16,833,482 | 18,006,713 |
| Land Improvements | 1,485,398 | 1,485,398 | - | - | 1,485,398 | 1,485,398 |
| Buildings | 21,595,109 | 21,595,109 | 45,221,157 | 45,221,157 | 66,816,266 | 66,816,266 |
| Vehicles | 6,352,607 | 5,815,391 | 1,710,846 | 1,856,647 | 8,063,453 | 7,672,038 |
| Equipment | 3,933,806 | 4,242,565 | 3,759,900 | 3,745,763 | 7,693,706 | 7,988,328 |
| Infrastructure | 89,027,109 | 86,991,559 | - | - | 89,027,109 | 86,991,559 |
| Water distribution system | - | - | 43,263,686 | 43,230,156 | 43,263,686 | 43,230,156 |
| Total Capital Assets | 154,939,843 | 154,448,609 | 97,121,088 | 96,569,073 | 252,060,931 | 251,017,682 |
| Less: Accumulated depreciation | (38,351,574) | (36,386,386) | (55,044,825) | (52,744,238) | (93,396,399) | (89,130,624) |
| Net Capital Assets | \$ 116,588,269 | \$ 118,062,223 | \$ 42,076,263 | \$ 43,824,835 | \$ 158,664,532 | \$ 161,887,058 |

Capital assets. The Village's investment in capital assets net of related debt for its governmental and business-type activities as of December 31, 2021 amounts to \$158,664,532. The investment in capital assets includes land, buildings, equipment, underground distribution and collection systems, infrastructure, and construction work in progress. The Village experienced a slight increase of capital assets due to depreciation expense exceeding new capital outlay additions in the current year.

Major capital asset additions during the current fiscal year included the following:

- ◆ The purchase of various vehicles and equipment for a cost of \$1,065,922 in governmental activities.
- ◆ Completion of the following projects:
 - Bolz Rd Improvement Project
 - Polk Ave Improvement Project
 - In House Design and Construction of Helm Road Resurfacing Project

Additional information on the Village's capital assets can be found in Note 4 of this report.

Long-term Debt. The Village currently has five General Obligation Bond series and one Illinois EPA loan outstanding. Total general obligation debt is \$27,672,000 of which \$22,210,090 is attributed to governmental activities and \$5,461,910 is attributed to business-type activities.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2021

The Village’s loan from the Illinois Environmental Protection Agency for construction and engineering on the dewatering project carries an outstanding principal balance of \$1,650,142 in the Waterworks and Sewerage Fund. The Village, under its home rule authority, does not have a legal debt limit and carries moderate debt burdens. The Village’s current bond rating is Aa3.

Table 4: Outstanding Debt and Other Liabilities

| | Governmental Activities | | Business-type Activities | | Totals | |
|-------------------------------|-------------------------|----------------------|--------------------------|----------------------|----------------------|----------------------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Bonds and notes payable | | | | | | |
| General obligation bonds | \$ 22,210,090 | \$ 24,066,360 | \$ 5,461,910 | \$ 7,001,740 | \$ 27,672,000 | \$ 31,068,100 |
| IEPA loan | - | - | 1,650,142 | 1,756,526 | 1,650,142 | 1,756,526 |
| Asset Retirement Obligation | - | - | 400,000 | 400,000 | 400,000 | 400,000 |
| Premium on bonds payable | 2,215,272 | 2,468,614 | 290,575 | 407,807 | 2,505,847 | 2,876,421 |
| Other liabilities | | | | | | |
| Vested compensated absences | 928,666 | 924,178 | 135,692 | 141,497 | 1,064,358 | 1,065,675 |
| Net pension liability | 27,242,264 | 31,019,120 | 17,965 | 744,846 | 27,260,229 | 31,763,966 |
| Other postemployment benefits | 6,438,775 | 5,902,682 | 236,016 | 415,149 | 6,674,791 | 6,317,831 |
| Insurance claims payable | 716,488 | 922,357 | - | - | 716,488 | 922,357 |
| Total | \$ 59,751,555 | \$ 65,303,311 | \$ 8,192,300 | \$ 10,867,565 | \$ 67,943,855 | \$ 76,170,876 |

Additional information on the Village’s long-term debt can be found in the Note 5 of this report.

Economic factors and next year’s budget

The following economic factors currently affect the Village of Carpentersville and were considered in developing the December 31, 2022 fiscal year budget.

- The State of Illinois still has not made a determination on the impact to the Local Government Distributive Fund at the time this report was printed. It brings uncertainty to future State revenues.
- On the expenditure side, increases are expected in wages of contracted union positions as well as other nonunion positions and commodities and contractual services.
- The Village of Carpentersville continues to be self-insured for General Liability and Worker’s Compensation losses.
- The Village continues to monitor the impact of COVID-19 on the Village’s financial position.

Contacting the Village’s Financial Management

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the Village’s finances and to demonstrate the Village’s accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to the Finance Department, Village of Carpentersville, 1200 L. W. Besinger Drive, Carpentersville, Illinois 60110.

BASIC FINANCIAL STATEMENTS

VILLAGE OF CARPENTERSVILLE, ILLINOIS

STATEMENT OF NET POSITION

December 31, 2021

| | Governmental Activities | Business-Type Activities | Total |
|--|------------------------------------|-------------------------------------|---------------|
| ASSETS | | | |
| Cash and investments | \$ 38,428,042 | \$ 6,582,441 | \$ 45,010,483 |
| Receivables (net, where applicable, of allowances for uncollectibles) | | | |
| Property taxes | 15,518,917 | - | 15,518,917 |
| Other taxes | 4,058,719 | - | 4,058,719 |
| Accounts | 440,733 | 1,282,238 | 1,722,971 |
| Accrued interest | 12,830 | 2,557 | 15,387 |
| Other | 2,562,748 | - | 2,562,748 |
| Prepaid expenses | 272,660 | 98 | 272,758 |
| Due from other governments | 265,031 | - | 265,031 |
| Internal balances | (3,793,650) | 3,793,650 | - |
| Capital assets | | | |
| Not depreciated | 32,545,814 | 3,165,499 | 35,711,313 |
| Depreciated (net of accumulated depreciation) | 84,042,455 | 38,907,410 | 122,949,865 |
| | 174,354,299 | 53,733,893 | 228,088,192 |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Pension items | 7,246,645 | 632,108 | 7,878,753 |
| OPEB items | 1,404,110 | 51,468 | 1,455,578 |
| Asset retirement obligation | - | 354,040 | 354,040 |
| Deferred charge on refunding | 310,938 | 109,449 | 420,387 |
| | 8,961,693 | 1,147,065 | 10,108,758 |
| | | | |
| Total assets and deferred outflows of resources | 183,315,992 | 54,880,958 | 238,196,950 |

(This statement is continued on the following page.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

STATEMENT OF NET POSITION (Continued)

December 31, 2021

| | Governmental Activities | Business-Type Activities | Total |
|--|------------------------------------|-------------------------------------|-----------------------|
| LIABILITIES | | | |
| Accounts payable | \$ 6,918,026 | \$ 563,792 | \$ 7,481,818 |
| Accrued payroll | 376,584 | 46,201 | 422,785 |
| Unearned revenue | 2,590,302 | 7,164 | 2,597,466 |
| Accrued interest payable | - | 28,878 | 28,878 |
| Deposits payable | 820,938 | 210,402 | 1,031,340 |
| Due to pension trust funds | 29,486 | - | 29,486 |
| Due to other governments | 9,934 | - | 9,934 |
| Long-term liabilities | | | |
| Due within one year | 2,851,994 | 1,736,165 | 4,588,159 |
| Due in more than one year | 56,899,561 | 6,456,135 | 63,355,696 |
| Total liabilities | 70,496,825 | 9,048,737 | 79,545,562 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Deferred property taxes | 15,518,917 | - | 15,518,917 |
| OPEB items | 1,136,169 | 41,647 | 1,177,816 |
| Pension items | 14,853,925 | 1,099,429 | 15,953,354 |
| Total deferred inflows of resources | 31,509,011 | 1,141,076 | 32,650,087 |
| Total liabilities and deferred inflows of resources | 102,005,836 | 10,189,813 | 112,195,649 |
| NET POSITION | | | |
| Net investment in capital assets | 92,473,845 | 34,779,731 | 127,253,576 |
| Restricted - expendable | | | |
| Police department programs | 78,040 | - | 78,040 |
| Asset forfeiture | 142,207 | - | 142,207 |
| Street maintenance | 2,310,974 | - | 2,310,974 |
| Public improvements | 2,226,425 | - | 2,226,425 |
| Fire purposes | 73,061 | - | 73,061 |
| Debt service | 1,808,137 | - | 1,808,137 |
| Restricted - nonexpendable | | | |
| Parks | 399,319 | - | 399,319 |
| Unrestricted (deficit) | (18,201,852) | 9,911,414 | (8,290,438) |
| TOTAL NET POSITION | \$ 81,310,156 | \$ 44,691,145 | \$ 126,001,301 |

See accompanying notes to financial statements.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2021

| FUNCTIONS/PROGRAMS | Expenses | Program Revenues | | |
|---------------------------------|----------------------|----------------------|------------------------------------|----------------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| PRIMARY GOVERNMENT | | | | |
| Governmental Activities | | | | |
| General government | \$ 5,876,817 | \$ 1,063,000 | \$ - | \$ - |
| Public safety | 15,939,629 | 2,641,302 | 1,251,784 | - |
| Public works | 11,389,641 | 772,657 | 1,574,441 | 1,418,437 |
| Community development | 1,551,397 | 6,600 | - | - |
| Culture and recreation | 281,244 | - | - | - |
| Interest | 651,509 | - | - | - |
| Total governmental activities | 35,690,237 | 4,483,559 | 2,826,225 | 1,418,437 |
| Business-Type Activities | | | | |
| Waterworks and sewerage | 7,949,681 | 8,852,462 | - | - |
| Total business-type activities | 7,949,681 | 8,852,462 | - | - |
| TOTAL PRIMARY GOVERNMENT | \$ 43,639,918 | \$ 13,336,021 | \$ 2,826,225 | \$ 1,418,437 |

| | Net (Expense) Revenue and Change in Net Position | | |
|----------------------------------|---|-------------------------------------|-----------------------|
| | Primary Government | | |
| | Governmental Activities | Business-Type Activities | Total |
| | \$ (4,813,817) | \$ - | \$ (4,813,817) |
| | (12,046,543) | - | (12,046,543) |
| | (7,624,106) | - | (7,624,106) |
| | (1,544,797) | - | (1,544,797) |
| | (281,244) | - | (281,244) |
| | (651,509) | - | (651,509) |
| | <u>(26,962,016)</u> | <u>-</u> | <u>(26,962,016)</u> |
| | - | 902,781 | 902,781 |
| | - | 902,781 | 902,781 |
| | <u>(26,962,016)</u> | <u>902,781</u> | <u>(26,059,235)</u> |
| General Revenues | | | |
| Taxes | | | |
| Property | 15,469,925 | - | 15,469,925 |
| Sales | 12,084,586 | - | 12,084,586 |
| Use | 1,463,860 | - | 1,463,860 |
| Utility | 1,561,136 | - | 1,561,136 |
| Local motor fuel | 362,080 | - | 362,080 |
| Telecommunications | 248,811 | - | 248,811 |
| Other | 563,331 | - | 563,331 |
| Intergovernmental | | | |
| Income tax | 5,055,517 | - | 5,055,517 |
| Replacement tax | 290,165 | - | 290,165 |
| Investment income | 85,858 | 731 | 86,589 |
| Miscellaneous | 421,149 | 93,659 | 514,808 |
| Transfers | 307,161 | (307,161) | - |
| Total | <u>37,913,579</u> | <u>(212,771)</u> | <u>37,700,808</u> |
| CHANGE IN NET POSITION | 10,951,563 | 690,010 | 11,641,573 |
| NET POSITION, JANUARY 1 | <u>70,358,593</u> | <u>44,001,135</u> | <u>114,359,728</u> |
| NET POSITION, DECEMBER 31 | <u>\$ 81,310,156</u> | <u>\$ 44,691,145</u> | <u>\$ 126,001,301</u> |

See accompanying notes to financial statements.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

December 31, 2021

| | General | TIF #3 Route 25 | Capital Improvement Projects | Nonmajor Governmental Funds | Total Governmental Funds |
|--|----------------------|---------------------|------------------------------------|-----------------------------------|--------------------------------|
| ASSETS | | | | | |
| Cash and investments | \$ 17,841,496 | \$ 2,256,819 | \$ 9,254,446 | \$ 9,075,281 | \$ 38,428,042 |
| Receivables (net, where applicable, of allowances for uncollectibles) | | | | | |
| Property taxes | 11,761,272 | 949,512 | - | 2,808,133 | 15,518,917 |
| Other taxes | 4,044,174 | - | - | 14,545 | 4,058,719 |
| Accounts | 428,261 | - | - | - | 428,261 |
| Accrued interest | 4,638 | - | 4,362 | 3,830 | 12,830 |
| Other | 148,260 | - | - | - | 148,260 |
| Prepaid items | 58,178 | - | - | 356 | 58,534 |
| Due from other governments | - | - | 122,640 | 142,391 | 265,031 |
| Due from other funds | 1,321,927 | - | - | - | 1,321,927 |
| Advances to other funds | 2,631,527 | - | - | - | 2,631,527 |
| TOTAL ASSETS | \$ 38,239,733 | \$ 3,206,331 | \$ 9,381,448 | \$ 12,044,536 | \$ 62,872,048 |

VILLAGE OF CARPENTERSVILLE, ILLINOIS

BALANCE SHEET (Continued)
GOVERNMENTAL FUNDS

December 31, 2021

| | General | TIF #3 Route 25 | Capital Improvement Projects | Nonmajor Governmental Funds | Total Governmental Funds |
|---|----------------------|---------------------|------------------------------------|-----------------------------------|--------------------------------|
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | | |
| LIABILITIES | | | | | |
| Accounts payable | \$ 1,882,029 | \$ - | \$ 4,603,583 | \$ 431,686 | \$ 6,917,298 |
| Accrued payroll | 361,182 | - | - | 73 | 361,255 |
| Deposits payable | 436,832 | - | - | 384,106 | 820,938 |
| Unearned revenue | 2,566,152 | - | - | - | 2,566,152 |
| Due to other governments | - | - | - | 9,934 | 9,934 |
| Due to pension trust funds | 29,486 | - | - | - | 29,486 |
| Due to other funds | 793,650 | - | - | 11,416 | 805,066 |
| Advances from other funds | - | 5,631,527 | - | - | 5,631,527 |
| Total liabilities | 6,069,331 | 5,631,527 | 4,603,583 | 837,215 | 17,141,656 |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Unavailable property taxes | 11,761,272 | 949,512 | - | 2,808,133 | 15,518,917 |
| Total deferred inflows of resources | 11,761,272 | 949,512 | - | 2,808,133 | 15,518,917 |
| Total liabilities and deferred inflows of resources | 17,830,603 | 6,581,039 | 4,603,583 | 3,645,348 | 32,660,573 |
| FUND BALANCES | | | | | |
| Nonspendable | | | | | |
| Prepaid items | 58,178 | - | - | 356 | 58,534 |
| Park trust principal | - | - | - | 399,319 | 399,319 |
| Advances | 2,631,527 | - | - | - | 2,631,527 |
| Restricted | | | | | |
| Police department programs | - | - | - | 78,040 | 78,040 |
| Asset forfeiture | 142,207 | - | - | - | 142,207 |
| Street maintenance | - | - | - | 2,310,974 | 2,310,974 |
| Public improvements | - | - | - | 2,226,425 | 2,226,425 |
| Fire purposes | - | - | - | 73,061 | 73,061 |
| Debt service | - | - | - | 1,808,137 | 1,808,137 |
| Assigned | | | | | |
| Community improvements | 1,172,201 | - | - | - | 1,172,201 |
| Subsequent year's budget | 8,040,376 | - | - | - | 8,040,376 |
| Carryforwards | - | - | 3,513,754 | - | 3,513,754 |
| Capital projects | - | - | 1,264,111 | 1,520,173 | 2,784,284 |
| Unassigned (deficit) | 8,364,641 | (3,374,708) | - | (17,297) | 4,972,636 |
| Total fund balances (deficit) | 20,409,130 | (3,374,708) | 4,777,865 | 8,399,188 | 30,211,475 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | \$ 38,239,733 | \$ 3,206,331 | \$ 9,381,448 | \$ 12,044,536 | \$ 62,872,048 |

See accompanying notes to financial statements.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION**

December 31, 2021

| | |
|---|------------------------------------|
| FUND BALANCES OF GOVERNMENTAL FUNDS | \$ 30,211,475 |
| Amounts reported for governmental activities in the statement of net position are different because: | |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds | 116,588,269 |
| Unamortized loss on refunding are other financing uses in governmental funds in the year of issuance, but are capitalized and amortized on the statement of net position | 310,938 |
| Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings are recognized as deferred outflows and inflows of resources on the statement of net position | |
| Illinois Municipal Retirement Fund | (682,987) |
| Police Pension Fund | (4,871,911) |
| Firefighters' Pension Fund | (2,052,382) |
| Other postemployment benefit payable | 267,941 |
| Long-term liabilities, including bonds payable and accrued interest payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds | |
| Compensated absences payable | (928,666) |
| Bonds payable | (22,210,090) |
| Claims payable | (716,488) |
| Total OPEB liability | (6,438,775) |
| Net pension liability for the Illinois Municipal Retirement Fund | (26,255) |
| Net pension liability for the Police Pension Fund | (19,809,477) |
| Net pension liability for the Firefighters' Pension Fund | (7,406,532) |
| Less amounts included in internal service funds below | 716,488 |
| Bond premiums (discounts) are other financing sources (uses) in governmental funds in the year of issuance but are capitalized and amortized on the statement of net position | (2,215,272) |
| The net position of the internal service fund is included in the governmental activities in the statement of net position | <u>573,880</u> |
| NET POSITION OF GOVERNMENTAL ACTIVITIES | <u><u>\$ 81,310,156</u></u> |

See accompanying notes to financial statements.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS**

For the Year Ended December 31, 2021

| | General | TIF #3 Route 25 | Capital Improvement Projects | Nonmajor Governmental Funds | Total Governmental Funds |
|--|----------------------|----------------------------|---|--|---|
| REVENUES | | | | | |
| Taxes | \$ 27,503,625 | \$ 945,198 | \$ - | \$ 2,874,866 | \$ 31,323,689 |
| Intergovernmental | 6,593,072 | - | 625,142 | 2,420,010 | 9,638,224 |
| Licenses and permits | 695,214 | - | - | - | 695,214 |
| Charges for services | 2,999,169 | - | - | 9,250 | 3,008,419 |
| Fines and forfeitures | 395,160 | - | - | - | 395,160 |
| Investment income (loss) | 20,057 | 2,079 | (2,313) | 66,035 | 85,858 |
| Miscellaneous | 531,998 | - | - | 1,704 | 533,702 |
| Total revenues | 38,738,295 | 947,277 | 622,829 | 5,371,865 | 45,680,266 |
| EXPENDITURES | | | | | |
| Current | | | | | |
| General government | 5,873,461 | - | - | - | 5,873,461 |
| Public safety | 19,957,265 | - | - | 32,684 | 19,989,949 |
| Public works | 2,833,359 | - | - | 306,618 | 3,139,977 |
| Community development | 1,237,493 | 283 | - | 309,485 | 1,547,261 |
| Culture and recreation | 179,240 | - | - | 3,506 | 182,746 |
| Capital outlay | - | - | 4,298,710 | 2,720,104 | 7,018,814 |
| Debt service | | | | | |
| Principal retirement | - | - | - | 1,856,270 | 1,856,270 |
| Interest and fiscal charges | - | - | - | 862,966 | 862,966 |
| Total expenditures | 30,080,818 | 283 | 4,298,710 | 6,091,633 | 40,471,444 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 8,657,477 | 946,994 | (3,675,881) | (719,768) | 5,208,822 |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers in | 4,146 | - | 3,899,129 | 2,309,311 | 6,212,586 |
| Transfers (out) | (5,514,329) | - | - | (391,096) | (5,905,425) |
| Sale of capital assets | - | - | - | 272,213 | 272,213 |
| Total other financing sources (uses) | (5,510,183) | - | 3,899,129 | 2,190,428 | 579,374 |
| NET CHANGE IN FUND BALANCES | 3,147,294 | 946,994 | 223,248 | 1,470,660 | 5,788,196 |
| FUND BALANCES (DEFICIT), JANUARY 1 | 17,261,836 | (4,321,702) | 4,554,617 | 6,928,528 | 24,423,279 |
| FUND BALANCES (DEFICIT), DECEMBER 31 | \$ 20,409,130 | \$ (3,374,708) | \$ 4,777,865 | \$ 8,399,188 | \$ 30,211,475 |

See accompanying notes to financial statements.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES**

For the Year Ended December 31, 2021

| | |
|---|-----------------------------|
| NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS | \$ 5,788,196 |
| Amounts reported for governmental activities in the statement of activities are different because: | |
| Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities | 3,234,805 |
| Contributions of capital assets are reported only in the statement of activities | 382,160 |
| The loss on disposal of capital assets increases the expense on the statement of activities | (2,322,277) |
| The change in the net pension liabilities are only reported only in the statement of activities | |
| Illinois Municipal Retirement Fund | 1,332,983 |
| Police Pension Fund | 1,767,390 |
| Firefighters' Pension Fund | 676,483 |
| Total OPEB liability | (536,093) |
| The change in deferred inflows and outflows of resources for net pension liabilities are reported only in the statement of activities | |
| Illinois Municipal Retirement Fund | (804,558) |
| Police Pension Fund | 1,656,449 |
| Firefighters' Pension Fund | 483,649 |
| Other postemployment benefit | 93,356 |
| Governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities | 211,457 |
| The repayment of the principal portion long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities | |
| Principal repaid | 1,856,270 |
| Some expenses in the statement of activities do not required the use of current financial resources and, therefore, are not reported as expenditures in governmental funds | |
| Depreciation | (2,768,642) |
| Compensated absences | (4,488) |
| The change in net position of internal service funds is reported with governmental activities | <u>(95,577)</u> |
| CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES | <u>\$ 10,951,563</u> |

See accompanying notes to financial statements.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS

December 31, 2021

| | Business-Type Activities | Governmental Activities |
|--|-------------------------------------|---------------------------------------|
| | Waterworks and Sewerage | Internal Service Funds |
| CURRENT ASSETS | | |
| Cash and investments | \$ 6,582,441 | \$ - |
| Receivables (net of allowances) | | |
| Accounts | 1,282,238 | 12,472 |
| Accrued interest | 2,557 | - |
| Other | - | 2,414,488 |
| Prepaid expenses | 98 | 214,126 |
| Due from other funds | 793,650 | - |
| | 8,660,984 | 2,641,086 |
| Total current assets | | |
| NONCURRENT ASSETS | | |
| Capital assets | | |
| Nondepreciable | 3,165,499 | - |
| Depreciable | 93,955,589 | - |
| Accumulated depreciation | (55,048,179) | - |
| | 42,072,909 | - |
| Net capital assets | | |
| Other assets | | |
| Advances to other funds | 3,000,000 | - |
| | 45,072,909 | - |
| Total noncurrent assets | | |
| Total assets | 53,733,893 | 2,641,086 |
| DEFERRED OUTFLOWS OF RESOURCES | | |
| Pension items - IMRF | 632,108 | - |
| OPEB items | 51,468 | - |
| Asset retirement obligation | 354,040 | - |
| Deferred charge on refunding | 109,449 | - |
| | 1,147,065 | - |
| Total deferred outflows of resources | | |
| Total assets and deferred outflows of resources | 54,880,958 | 2,641,086 |

(This statement is continued on the following page.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

STATEMENT OF NET POSITION (Continued)
 PROPRIETARY FUNDS

December 31, 2021

| | Business-Type Activities | Governmental Activities |
|--|-------------------------------------|---------------------------------------|
| | Waterworks and Sewerage | Internal Service Funds |
| CURRENT LIABILITIES | | |
| Accounts payable | \$ 563,792 | \$ 728 |
| Accrued payroll | 46,201 | 15,329 |
| Unearned revenue | 7,164 | 24,150 |
| Accrued interest payable | 28,878 | - |
| Claims payable | - | 358,244 |
| Due to other funds | - | 1,310,511 |
| Deposits payable | 210,402 | - |
| Compensated absences payable | 27,138 | - |
| Total OPEB liability | 7,710 | - |
| Bonds payable | 1,592,800 | - |
| IEPA loans payable | 108,517 | - |
| | <hr/> | <hr/> |
| Total current liabilities | 2,592,602 | 1,708,962 |
| LONG-TERM LIABILITIES | | |
| Compensated absences payable | 108,554 | - |
| Claims payable | - | 358,244 |
| Bonds payable | 4,159,685 | - |
| Asset retirement obligation | 400,000 | - |
| Total OPEB liability | 228,306 | - |
| IEPA loans payable | 1,541,625 | - |
| IMRF net pension liability | 17,965 | - |
| | <hr/> | <hr/> |
| Total long-term liabilities | 6,456,135 | 358,244 |
| | <hr/> | <hr/> |
| Total liabilities | 9,048,737 | 2,067,206 |
| DEFERRED INFLOWS OF RESOURCES | | |
| Other postemployment benefits | 41,647 | - |
| Pension items - IMRF | 1,099,429 | - |
| | <hr/> | <hr/> |
| Total deferred inflows of resources | 1,141,076 | - |
| | <hr/> | <hr/> |
| Total liabilities and deferred inflows of resources | 10,189,813 | 2,067,206 |
| NET POSITION | | |
| Net investment in capital assets | 34,779,731 | - |
| Unrestricted | 9,911,414 | 573,880 |
| | <hr/> | <hr/> |
| TOTAL NET POSITION | \$ 44,691,145 | \$ 573,880 |
| | <hr/> | <hr/> |

See accompanying notes to financial statements.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 PROPRIETARY FUNDS

For the Year Ended December 31, 2021

| | Business-Type Activities | Governmental Activities |
|--|-------------------------------------|---------------------------------------|
| | Waterworks and Sewerage | Internal Service Funds |
| OPERATING REVENUES | | |
| Charges for services | \$ 8,570,427 | \$ 3,967,132 |
| Service fees and penalties | 282,035 | - |
| Miscellaneous | 93,659 | - |
| | 8,946,121 | 3,967,132 |
| Total operating revenues | 8,946,121 | 3,967,132 |
| OPERATING EXPENSES | | |
| Administration | 411,830 | - |
| Operations | 4,927,819 | 4,062,709 |
| Depreciation and amortization | 2,465,062 | - |
| | 7,804,711 | 4,062,709 |
| Total operating expenses | 7,804,711 | 4,062,709 |
| OPERATING INCOME (LOSS) | 1,141,410 | (95,577) |
| NON-OPERATING REVENUES (EXPENSES) | | |
| Investment income | 731 | - |
| Interest and fiscal charges | (144,970) | - |
| | (144,239) | - |
| Total non-operating revenues (expenses) | (144,239) | - |
| INCOME (LOSS) BEFORE TRANSFERS | 997,171 | (95,577) |
| TRANSFERS | | |
| Transfers (out) | (307,161) | - |
| | (307,161) | - |
| Total transfers | (307,161) | - |
| CHANGE IN NET POSITION | 690,010 | (95,577) |
| NET POSITION, JANUARY 1 | 44,001,135 | 669,457 |
| NET POSITION, DECEMBER 31 | \$ 44,691,145 | \$ 573,880 |

See accompanying notes to financial statements.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS

For the Year Ended December 31, 2021

| | Business-Type Activities | Governmental Activities |
|---|-------------------------------------|--------------------------------------|
| | Waterworks and Sewerage | Internal Service Fund |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Receipts from customers and users | \$ 8,926,390 | \$ 370,249 |
| Receipts from interfund services transactions | - | 3,268,984 |
| Receipts from others | - | 327,899 |
| Receipts from miscellaneous | 93,659 | - |
| Payments for interfund services transactions | (549,620) | - |
| Payments to suppliers | (2,746,084) | (4,576,538) |
| Payments to employees | (2,423,982) | - |
| | 3,300,363 | (609,406) |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | |
| Interfund receivables/payables | (793,650) | 609,406 |
| | (793,650) | 609,406 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | |
| Capital assets purchased | (697,816) | - |
| Principal payments on long-term debt | (1,646,214) | - |
| Interest payments on long-term debt | (265,832) | - |
| Transfer (out) | (307,161) | - |
| | (2,917,023) | - |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Sale of investments | 1,039,230 | - |
| Purchase of investments | (1,042,515) | - |
| Interest received on investments | 4,597 | - |
| | 1,312 | - |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | (408,998) | - |
| CASH AND CASH EQUIVALENTS, JANUARY 1 | 2,363,937 | - |
| CASH AND CASH EQUIVALENTS, DECEMBER 31 | \$ 1,954,939 | \$ - |

(This statement is continued on the following page.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
 PROPRIETARY FUNDS

For the Year Ended December 31, 2021

| | Business-Type Activities | Governmental Activities |
|--|-------------------------------------|--------------------------------------|
| | Waterworks and Sewerage | Internal Service Fund |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Operating income (loss) | \$ 1,141,410 | \$ (95,577) |
| Adjustments to reconcile operating income (loss) to net cash from operating activities | | |
| Depreciation and amortization | 2,465,062 | - |
| Changes in assets and liabilities | | |
| Accounts receivable | 80,057 | (2,837) |
| Other receivables | - | (188,041) |
| Prepaid expenses | 1,269 | (84,400) |
| Accounts payable | 20,633 | (41,580) |
| Accrued payroll | (26,516) | 6,061 |
| Deposits payable | (6,351) | - |
| Claims payable | - | (205,869) |
| Total OPEB liability | (179,133) | - |
| Unearned revenue | 222 | 2,837 |
| Pension amounts | (192,943) | - |
| OPEB amounts | 2,458 | - |
| Compensated absences | (5,805) | - |
| NET CASH FROM OPERATING ACTIVITIES | \$ 3,300,363 | \$ (609,406) |
| CASH AND INVESTMENTS | | |
| Cash and cash equivalents | \$ 1,954,939 | \$ - |
| Investments | 4,627,502 | - |
| TOTAL CASH AND INVESTMENTS | \$ 6,582,441 | \$ - |

See accompanying notes to financial statements.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS**

December 31, 2021

| | Pension Trust |
|---|-------------------------------------|
| | <u> </u> |
| ASSETS | |
| Cash and short-term investments | \$ 25,409 |
| Investments, at fair value | |
| Money market mutual funds | 2,609,020 |
| U.S. Treasury obligations | 15,447,780 |
| U.S. agency obligations | 8,828,740 |
| Municipal bonds | 1,813,704 |
| Equities | 28,709,787 |
| Corporate bonds | 7,556,883 |
| Equity mutual funds | 33,251,419 |
| Negotiable CDs | 440,511 |
| Receivables | |
| Accrued interest | 168,397 |
| Prepaid expenses | 7,000 |
| Due from other funds | <u>29,486</u> |
| Total assets | <u>98,888,136</u> |
| LIABILITIES | |
| Accounts payable | <u>12,924</u> |
| Total liabilities | <u>12,924</u> |
| NET POSITION RESTRICTED FOR PENSIONS | <u><u>\$ 98,875,212</u></u> |

See accompanying notes to financial statements.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS**

For the Year Ended December 31, 2021

ADDITIONS

| | |
|--|-------------------|
| Contributions | |
| Employer contributions | \$ 4,067,785 |
| Employee contributions | <u>990,504</u> |
| Total contributions | <u>5,058,289</u> |
| Investment income | |
| Net appreciation in fair value of investments | 10,116,425 |
| Interest | <u>2,623,785</u> |
| Total investment income | 12,740,210 |
| Less investment expense | <u>(330,307)</u> |
| Net investment income | <u>12,409,903</u> |
| Total additions | <u>17,468,192</u> |

DEDUCTIONS

| | |
|------------------|------------------|
| Administration | 104,584 |
| Pension benefits | <u>5,593,922</u> |
| Total deductions | <u>5,698,506</u> |

NET INCREASE 11,769,686

**NET POSITION RESTRICTED
FOR PENSIONS**

| | |
|-------------|-----------------------------|
| January 1 | <u>87,105,526</u> |
| December 31 | <u><u>\$ 98,875,212</u></u> |

See accompanying notes to financial statements.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Carpentersville, Illinois (the Village) was incorporated in 1851. The Village provides services to the community that includes public safety (police and fire), water and sewer utility, community development, public works, culture and recreation and general services.

The accounting policies of the Village conform to accounting principles generally accepted in the United States of America, as applicable to governments (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies.

a. Reporting Entity

The Village is a municipal corporation governed by the Village President and an elected six-member board. As required by GAAP, these financial statements present the Village (the primary government) and its component units.

The Village's financial statements include two fiduciary component units:

Police Pension Employees Retirement System

The Village's police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village President, one elected pension beneficiary and two elected police employees constitute the pension board. The Village and PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Accordingly, the PPERS is fiscally dependent on the Village. Separate financial statements are not available for the PPERS.

Firefighters' Pension Employees Retirement System

The Village's firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village President, one elected pension beneficiary and two elected firefighters' employees constitute the pension board. The Village and

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting Entity (Continued)

Firefighters' Pension Employees Retirement System (Continued)

FPERS participants are obligated to fund all FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Accordingly, the FPERS is fiscally dependent on the Village. Separate financial statements are not available for the FPERS.

b. Fund Accounting

The Village uses funds to report on its financial position and the change in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. The minimum number of funds are maintained consistent with legal and managerial requirements.

Funds are classified into the following categories: governmental, proprietary and fiduciary.

Governmental funds are used to account for all or most of the Village's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds committed, restricted or assigned for the acquisition or construction of capital assets (capital projects funds), the funds committed, restricted or assigned for the servicing of long-term debt (debt service funds) and the funds restricted to the extent that only earnings, and not principal, may be used for purposes that support the Village's programs (permanent funds). The General Fund is used to account for all activities of the Village not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the Village (internal service funds).

Fiduciary funds are used to account for fiduciary activities that meet the definition contained in GASB Statement No. 84, *Fiduciary Activities*. The Village utilizes pension trust funds which are generally used to account for assets that the Village holds in a fiduciary capacity or on behalf of others as their agent.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated from these statements. Interfund services provided and used are not eliminated on these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Village reports the following major governmental funds:

The General Fund is the general operating fund of the Village. It is used to account for all financial resources except those accounted for in another fund.

The TIF #3 (Route 25) Fund is used to account for the funds restricted for the redevelopment activities of the tax increment financing district established to rehabilitate and redevelop the corridor around Route 25 through an integrated and comprehensive strategy that utilizes public resources to stimulate additional private investment in an area that would not otherwise be commercially productive.

The Capital Improvement Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

The Village reports the following major proprietary funds:

The Waterworks and Sewerage Fund is used to account for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance and improvements.

Additionally, the Village reports the following Internal Service Fund:

Internal Service Fund (Insurance) is used to account for accumulation of resources and costs associated with insurance for the Village. This fund is reported as part of the governmental activities on the government-wide financial statements as they provide services to the Village's governmental funds/activities.

The Village reports pension trust funds as fiduciary component units to account for the Police Pension Fund and Firefighters' Pension Fund.

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues and expenses are directly attributable to the operation of the proprietary funds. Non-operating revenue/expenses are incidental to the operations of these funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, generally 60 days except for sales taxes and telecommunication taxes which use 90 days. The Village recognizes property taxes when they become both measurable and available in the year for which they are levied (i.e., intended to finance). Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation
(Continued)

Property taxes, sales taxes owed from the state at year end, franchise taxes, licenses, charges for services and investment income associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash.

In applying the susceptible to accrual concept to intergovernmental revenues (e.g., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidelines. There are, however, essentially two types of revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Village; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are generally revocable only for failure to comply with prescribed eligibility requirements, such as equal employment opportunity.

These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

The Village reports unearned revenue and unavailable/deferred revenue on its financial statements. Unavailable/deferred revenues arise when a potential revenue does not meet both the measurable and available criteria (unavailable) or year intended to finance criteria (deferred) for recognition in the current period. Unearned revenue arises when a revenue is measurable but not earned under the accrual basis of accounting. Unearned revenues also arise when resources are received by the Village before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the liability and deferred inflows of resource for unearned and unavailable/deferred revenue are removed from the financial statements and revenue is recognized.

e. Cash and Investments

For purposes of the statement of cash flows, the Village considers cash and cash equivalents to include cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Cash and Investments (Continued)

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust funds are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

f. Interfund Receivables/Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “interfund receivables/payables” (current portion of interfund loans) or “advances to/from other funds” (noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “internal balances.”

Interfund service transactions are accounted for as revenues, expenditures or expenses.

Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

g. Property Taxes

Property taxes are levied in December of each year on all taxable real property in the Village and attach as an enforceable lien on the property as of the preceding January 1. Property taxes receivable represent the balance due on the 2021 levy. Tax bills are prepared by the County and issued on or about May 1 and are payable in two installments on or about June 1 and September 1. The County Collector collects such taxes and remits them periodically. Since the 2021 levy is intended to finance the next fiscal year, the levy has been recorded as a receivable and unavailable/deferred revenue.

h. Inventories and Prepaid Items/Expenses

Governmental fund inventory items are expensed when purchased. Proprietary fund inventories are valued at cost based on weighted average and expensed when consumed. Proprietary fund inventory was not significant at December 31, 2021.

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses. Prepaid items/expenses are recorded as expenditures/expenses when consumed rather than when purchased.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads and bridges) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost in excess of \$10,000 for machinery, equipment and vehicles, \$50,000 for buildings improvements, \$100,000 for land improvements and infrastructure, \$1 for land and right of way and an estimated useful life in excess of one year.

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

| Assets | Years |
|-------------------------|-------|
| Buildings | 30-50 |
| Machinery and equipment | 5-20 |
| Utility system | 5-75 |
| Infrastructure | 10-75 |

j. Compensated Absences

Vested or accumulated compensated absences that is owed to retirees or terminated employees, if applicable, is reported as an expenditure and a fund liability of the governmental fund that will pay it in the fund financial statements. Vested or accumulated compensated absences of proprietary funds/business-type activities and governmental activities is recorded as an expense and liability as the benefits accrue to employees.

k. Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund financial statements. Bond premiums and discounts, as well as the unamortized loss on refunding, are deferred and amortized over the life of the bonds. Bonds payable are reported net of any applicable bond premium or discount. Issuance costs are reported as expenses.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Long-Term Obligations (Continued)

In the fund financial statements, governmental funds recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

l. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

m. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for a specific purpose, or externally imposed by outside entities. None of the restricted fund balance resulted from enabling legislation adopted by the Village Board of Trustees. Committed fund balance is constrained by formal actions of the Village's Board of Trustees, which is considered the Village's highest level of decision-making authority. Formal actions include ordinances approved by the Board of Trustees. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Village Manager through the fund balance policy adopted by the Village Board of Trustees. Any residual fund balance of the General Fund and any deficit balances in other governmental funds are reported as unassigned.

The Village's fund balance policy for the General Fund specifies a targeted minimum fund balance of 25% of annual operating expenditures.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Fund Balance/Net Position (Continued)

The Village's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the Village considers committed funds to be expended first followed by assigned and then unassigned funds.

In the government-wide financial statements, restricted net positions are legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any outstanding long-term debt issued to acquire or construct the capital assets.

n. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

o. Postponement of Implementation of Certain Authoritative Guidance

In accordance with the provisions of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, the Village has delayed the implementation of GASB Statement No. 87, *Leases*, to December 31, 2022.

2. DEPOSITS AND INVESTMENTS

The Village categorizes the fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

a. Village Investments

The Village's investment policy authorizes the Village to invest in all investments allowed by Illinois Compiled Statutes (ILCS). These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Investments (Continued)

agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services. The Village's investment policy does limit their deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance. Additionally, the Village will not invest in any institution in which the Village's funds on deposit are in excess of 75% of the institution's capital stock and surplus.

It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity and rate of return.

The Village maintains a cash pool that is available for use by all funds, except the permanent fund and pension trust funds. Investments are separately held by several of the Village's funds.

The deposits and investments of the permanent fund and the pension trust funds are held separately from those of other funds.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, at an amount not less than 110% of the fair market value of the funds secured, with the collateral held in safekeeping by a third party depository designated by the Village.

Investments

The following table presents the investments and maturities of the Village's debt securities as of December 31, 2021:

| Investment Type | Fair Value | Investment Maturities (in Years) | | | |
|------------------------------------|---------------------|----------------------------------|---------------------|------------------|-----------------|
| | | Less than 1 | 1-5 | 6-10 | Greater than 10 |
| Bond mutual funds | \$ 49,693 | \$ - | \$ 14,854 | \$ 26,821 | \$ 8,018 |
| Negotiable certificates of deposit | 5,605,799 | 2,291,399 | 3,314,400 | - | - |
| TOTAL | \$ 5,655,492 | \$ 2,291,399 | \$ 3,329,254 | \$ 26,821 | \$ 8,018 |

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Investments (Continued)

Investments (Continued)

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market. Unless matched to a specific cash flow, the Village does not invest operating funds in securities maturing more than three years from the date of purchase.

The Village has the following recurring fair value measurements as of December 31, 2021. The bond mutual fund is measured based on the net asset value of the shares in the fund, which is based on the fair value of the underlying investments in the mutual fund (Level 3 input).

The Village limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in U.S. agency securities, external investment pools and state and local government bonds rated within the four highest general classifications established by a national rating service. The Illinois Funds and the Illinois Metropolitan Investment Fund (IMET) are both rated AAA. The bond mutual funds are not rated.

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than fair value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

IMET is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Investments (Continued)

Investments (Continued)

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment basis (DVP) with the underlying investments held in a custodial account with the trust department of an approved financial institution. The Illinois Funds, IMET and the bond mutual funds are not subject to custodial credit risk.

Concentration of credit risk is the risk that the Village has a high percentage of their investments invested in one type of investment. The Village's investment policy requires diversification of investment to avoid unreasonable risk but has no set percentage limits.

3. RECEIVABLES

The following receivables are included in other receivables on the statement of net position at December 31, 2021:

GOVERNMENTAL ACTIVITIES

| | |
|------------------------|--------------|
| Insurance receivables | \$ 2,414,488 |
| Telecommunications tax | 43,636 |
| Franchise fee | 96,978 |
| Other | <u>7,646</u> |

TOTAL GOVERNMENTAL ACTIVITIES \$ 2,562,748

The following receivables are included in due from other governments on the statement of net position at December 31, 2021:

GOVERNMENTAL ACTIVITIES

| | |
|--|----------------|
| Illinois Department of Transportation - MFT allotments | \$ 241,353 |
| Illinois Department of Transportation - grants | <u>356,815</u> |

TOTAL GOVERNMENTAL ACTIVITIES \$ 598,168

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2021, was as follows:

| | Beginning Balances | Increases | Decreases | Ending Balances |
|---|-----------------------|---------------------|---------------------|-----------------------|
| GOVERNMENTAL ACTIVITIES | | | | |
| Capital assets not being depreciated | | | | |
| Land | \$ 4,098,023 | \$ - | \$ - | \$ 4,098,023 |
| Right of ways | 13,479,440 | 50,607 | - | 13,530,047 |
| Construction in progress | 16,741,124 | 2,500,436 | 4,323,816 | 14,917,744 |
| Total capital assets not being depreciated | <u>34,318,587</u> | <u>2,551,043</u> | <u>4,323,816</u> | <u>32,545,814</u> |
| Capital assets being depreciated | | | | |
| Land improvements | 1,485,398 | - | - | 1,485,398 |
| Building and improvements | 21,595,109 | - | - | 21,595,109 |
| Vehicles | 5,815,391 | 765,181 | 227,965 | 6,352,607 |
| Equipment | 4,242,565 | 300,741 | 609,500 | 3,933,806 |
| Roads | 49,883,404 | - | 182,162 | 49,701,242 |
| Storm sewers | 33,208,611 | 2,167,109 | - | 35,375,720 |
| Bridges | 3,425,670 | - | - | 3,425,670 |
| Retaining walls | 108,488 | 50,603 | - | 159,091 |
| Parking lot | 365,386 | - | - | 365,386 |
| Total capital assets being depreciated | <u>120,130,022</u> | <u>3,283,634</u> | <u>1,019,627</u> | <u>122,394,029</u> |
| Less accumulated depreciation for | | | | |
| Land improvements | 369,058 | 99,027 | - | 468,085 |
| Buildings and improvements | 6,256,635 | 434,161 | - | 6,690,796 |
| Vehicles | 3,305,754 | 426,003 | 227,965 | 3,503,792 |
| Equipment | 2,700,680 | 328,891 | 564,803 | 2,464,768 |
| Roads | 15,512,147 | 997,668 | 10,686 | 16,499,129 |
| Storm sewers | 7,461,218 | 414,773 | - | 7,875,991 |
| Bridges | 601,398 | 45,676 | - | 647,074 |
| Retaining walls | 48,567 | 4,174 | - | 52,741 |
| Parking lot | 130,929 | 18,269 | - | 149,198 |
| Total accumulated depreciation | <u>36,386,386</u> | <u>2,768,642</u> | <u>803,454</u> | <u>38,351,574</u> |
| Total capital assets being depreciated, net | <u>83,743,636</u> | <u>514,992</u> | <u>216,173</u> | <u>84,042,455</u> |
| GOVERNMENTAL ACTIVITIES | | | | |
| CAPITAL ASSETS, NET | <u>\$ 118,062,223</u> | <u>\$ 3,066,035</u> | <u>\$ 4,539,989</u> | <u>\$ 116,588,269</u> |

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

GOVERNMENTAL ACTIVITIES

| | |
|------------------------|----------------|
| General government | \$ 82,549 |
| Public safety | 611,451 |
| Public works | 1,973,515 |
| Culture and recreation | <u>101,127</u> |

TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES \$ 2,768,642

| | Beginning Balances | Increases | Decreases | Ending Balances |
|---|-----------------------|-----------------------|------------------|----------------------|
| BUSINESS-TYPE ACTIVITIES | | | | |
| Capital assets not being depreciated | | | | |
| Land | \$ 1,249,761 | \$ - | \$ - | \$ 1,249,761 |
| Construction in progress | 1,265,589 | 664,734 | 14,585 | 1,915,738 |
| Total capital assets not being depreciated | <u>2,515,350</u> | <u>664,734</u> | <u>14,585</u> | <u>3,165,499</u> |
| Capital assets being depreciated | | | | |
| Water and wastewater treatment improvements | 45,221,157 | - | - | 45,221,157 |
| Water distribution and sewer collection | 43,230,156 | 33,530 | - | 43,263,686 |
| Vehicles | 1,856,647 | - | 145,801 | 1,710,846 |
| Equipment | 3,745,763 | 14,137 | - | 3,759,900 |
| Total capital assets being depreciated | <u>94,053,723</u> | <u>47,667</u> | <u>145,801</u> | <u>93,955,589</u> |
| Less accumulated depreciation for | | | | |
| Water and wastewater treatment improvements | 31,843,162 | 1,359,250 | - | 33,202,412 |
| Water distribution and sewer collection | 18,196,062 | 728,501 | - | 18,924,563 |
| Vehicles | 1,203,834 | 165,827 | 145,801 | 1,223,860 |
| Equipment | 1,501,180 | 196,164 | - | 1,697,344 |
| Total accumulated depreciation | <u>52,744,238</u> | <u>2,449,742</u> | <u>145,801</u> | <u>55,048,179</u> |
| Total capital assets being depreciated, net | <u>41,309,485</u> | <u>(2,402,075)</u> | <u>-</u> | <u>38,907,410</u> |
| BUSINESS-TYPE ACTIVITIES | | | | |
| CAPITAL ASSETS, NET | <u>\$ 43,824,835</u> | <u>\$ (1,737,341)</u> | <u>\$ 14,585</u> | <u>\$ 42,072,909</u> |

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT

a. General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village.

b. Changes in General Obligation Bonds

A summary of changes in long-term debt of the Village for the year ended December 31, 2021, is as follows:

| Issue | Fund Debt Retired By | Purpose | Balances January 1 | Additions | Reductions/ Refunding | Balances December 31 | Current |
|--|-------------------------|---------------------|--------------------|-----------|-----------------------|----------------------|------------|
| General Obligation Bonds, Series 2014 (dated December 10, 2014; maturing December 30, 2034; original issue \$9,560,000; interest rates 2% to 4%; principal payable annually on December 30). | General Debt Service | Public Improvements | \$ 7,385,100 | \$ - | \$ 415,000 | \$ 6,970,100 | \$ 430,000 |
| General Obligation Refunding Bond Series 2015A (dated March 5, 2015; maturing July 25, 2023; original issue \$8,105,000; interest rates 2.50% to 4.00%; principal payable semiannually on July 15 and January 15). | Waterworks and Sewerage | Refunding | 3,195,000 | - | 1,025,000 | 2,170,000 | 1,065,000 |
| General Obligation Refunding Bonds, Series 2015B (dated November 5, 2015; maturing December 30, 2026; original issue \$5,840,000; interest rate at 4%, principal payable annually on December 30). | General Debt Service | Public Improvements | 1,982,500 | - | 300,000 | 1,682,500 | 310,000 |
| | Waterworks and Sewerage | Public Improvements | 1,982,500 | - | 300,000 | 1,682,500 | 310,000 |

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

b. Changes in General Obligation Bonds (Continued)

| Issue | Fund Debt Retired By | Purpose | Balances January 1 | Additions | Reductions/ Refunding | Balances December 31 | Current |
|---|-------------------------|-----------|----------------------|-------------|-----------------------|----------------------|---------------------|
| General Obligation Refunding Bonds, Series 2016 (dated August 29, 2016; maturing December 30, 2028; original issue \$6,926,000; interest rate at 1.80%, principal payable annually on December 30). | General Debt Service | Refunding | \$ 3,703,760 | \$ - | \$ 436,270 | \$ 3,267,490 | \$ 442,200 |
| | Waterworks and Sewerage | Refunding | 1,824,240 | - | 214,830 | 1,609,410 | 217,800 |
| General Obligation Refunding Bonds, Series 2020 (dated October 7, 2020; maturing December 30, 2030; original issue \$10,995,000; interest rate at 4%, principal payable annually on December 30). | General Debt Service | Refunding | 10,995,000 | - | 705,000 | 10,290,000 | 730,000 |
| TOTAL | | | <u>\$ 31,068,100</u> | <u>\$ -</u> | <u>\$ 3,396,100</u> | <u>\$ 27,672,000</u> | <u>\$ 3,505,000</u> |

c. Legal Debt Margin

The Village is a home rule municipality.

Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of the legal debt margin.

“The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent:...indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts.”

To date, the General Assembly has set no limits for home rule municipalities.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

d. Debt Service Requirements to Maturity

| Year Ending December 31, | General Obligation Bonds | | | | | |
|--------------------------------|--------------------------|---------------------|----------------------|--------------------------|-------------------|---------------------|
| | Governmental Activities | | | Business-Type Activities | | |
| | Principal | Interest | Total | Principal | Interest | Total |
| 2022 | \$ 1,912,200 | \$ 803,266 | \$ 2,715,466 | \$ 1,592,800 | \$ 172,570 | \$ 1,765,370 |
| 2023 | 1,973,410 | 740,808 | 2,714,218 | 1,649,590 | 113,248 | 1,762,838 |
| 2024 | 2,042,120 | 676,190 | 2,718,310 | 563,880 | 63,052 | 626,932 |
| 2025 | 2,106,990 | 609,168 | 2,716,158 | 580,010 | 45,476 | 625,486 |
| 2026 | 2,181,190 | 535,162 | 2,716,352 | 595,810 | 27,336 | 623,146 |
| 2027 | 2,253,070 | 458,336 | 2,711,406 | 237,930 | 8,636 | 246,566 |
| 2028 | 2,331,110 | 378,840 | 2,709,950 | 241,890 | 4,354 | 246,244 |
| 2029 | 2,395,000 | 296,400 | 2,691,400 | - | - | - |
| 2030 | 2,490,000 | 200,600 | 2,690,600 | - | - | - |
| 2031 | 595,000 | 101,000 | 696,000 | - | - | - |
| 2032 | 620,000 | 77,200 | 697,200 | - | - | - |
| 2033 | 640,000 | 52,400 | 692,400 | - | - | - |
| 2034 | 670,000 | 26,800 | 696,800 | - | - | - |
| TOTAL | \$ 22,210,090 | \$ 4,956,170 | \$ 27,166,260 | \$ 5,461,910 | \$ 434,672 | \$ 5,896,582 |

| Year Ending December 31, | IEPA Loans | |
|--------------------------------|-----------------------------|-------------------|
| | Business-Type Activities | |
| | Principal | Interest |
| 2022 | \$ 108,517 | \$ 32,647 |
| 2023 | 110,693 | 30,471 |
| 2024 | 112,912 | 28,252 |
| 2025 | 115,176 | 25,988 |
| 2026 | 117,485 | 23,679 |
| 2027 | 119,841 | 21,323 |
| 2028 | 122,244 | 18,921 |
| 2029 | 124,695 | 16,470 |
| 2030 | 127,195 | 13,970 |
| 2031 | 129,745 | 11,420 |
| 2032 | 132,346 | 8,818 |
| 2033 | 135,000 | 6,165 |
| 2034 | 137,706 | 3,458 |
| 2035 | 56,587 | 697 |
| TOTAL | \$ 1,650,142 | \$ 242,279 |

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

e. Changes in Long-Term Liabilities

During the year ended December 31, 2021, the following changes occurred in liabilities reported in the governmental activities:

| | Balances January 1 | Issuances | Reductions/ Refunding | Balances December 31 | Current Portion |
|--|-----------------------|---------------------|--------------------------|-------------------------|---------------------|
| General obligation bonds payable | \$ 24,066,360 | \$ - | \$ 1,856,270 | \$ 22,210,090 | \$ 1,912,200 |
| Premium on bonds payable | 2,468,614 | - | 253,342 | 2,215,272 | - |
| Compensated absences payable | 924,178 | 928,666 | 924,178 | 928,666 | 371,466 |
| Net pension liability - IMRF | 1,359,238 | - | 1,332,983 | 26,255 | - |
| Net pension liability - Police | 21,576,867 | - | 1,767,390 | 19,809,477 | - |
| Net pension liability - Fire | 8,083,015 | - | 676,483 | 7,406,532 | - |
| Total OPEB liability | 5,902,682 | 536,093 | - | 6,438,775 | 210,084 |
| Insurance claims payable | 922,357 | 359,626 | 565,495 | 716,488 | 358,244 |
| TOTAL GOVERNMENTAL ACTIVITIES | \$ 65,303,311 | \$ 1,824,385 | \$ 7,376,141 | \$ 59,751,555 | \$ 2,851,994 |

The compensated absences, net pension liabilities and total OPEB liability have typically been liquidated in prior years by the General Fund.

During the year ended December 31, 2021, the following changes occurred in liabilities reported in the business-type activities:

| | Balances January 1 | Issuances | Reductions/ Refunding | Balances December 31 | Current Portion |
|---|-----------------------|-------------------|--------------------------|-------------------------|---------------------|
| General obligation bonds payable | \$ 7,001,740 | \$ - | \$ 1,539,830 | \$ 5,461,910 | \$ 1,592,800 |
| Premium on bonds payable | 407,807 | - | 117,232 | 290,575 | - |
| IEPA loan | 1,756,526 | - | 106,384 | 1,650,142 | 108,517 |
| Asset retirement obligation | 400,000 | - | - | 400,000 | - |
| Compensated absences | 141,497 | 135,692 | 141,497 | 135,692 | 27,138 |
| Net pension liability - IMRF | 744,846 | - | 726,881 | 17,965 | - |
| Total OPEB liability | 415,149 | - | 179,133 | 236,016 | 7,710 |
| TOTAL BUSINESS-TYPE ACTIVITIES | \$ 10,867,565 | \$ 135,692 | \$ 2,810,957 | \$ 8,192,300 | \$ 1,736,165 |

f. Asset Retirement Obligation

The Village has recognized an asset retirement obligation (ARO) and related deferred outflow of resources in connection with its obligation to seal and abandon five water wells at the end of their estimated useful lives in accordance state requirements. The ARO was measured using actual historical costs for similar abandonments, adjusted for inflation through the end of the year and engineering estimates. The estimated remaining useful lives of the water wells range from 12 to 61 years.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; illnesses of employees; and natural disasters.

Beginning January 1, 2000, the Village became self-insured for general liability, property and workers' compensation claims and established a risk financing fund (Insurance Fund) (the Fund) for these risks. It is accounted for as an internal service fund where assets are set aside for claim settlements. For liability claims and errors and omissions, the uninsured risk of loss is \$75,000 per incident and \$200,000 in the aggregate for a policy year. For workers' compensation claims, the uninsured risk of loss is \$650,000 per incident. There is no aggregate amount for workers' compensation. The Village purchases commercial insurance for claims in excess of the coverages provided by the Fund. Settled claims did not exceed the Fund's coverage and the commercial coverage was not exceeded in the past three years.

The General Fund and Waterworks and Sewerage Fund participate and make payments to the Fund based upon estimates of the amounts needed to pay prior and current year claims. Liabilities of the Fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and societal factors.

Changes in the balances of claims liabilities during the fiscal years ended December 31, 2021 and 2020 are as follows:

| | 2021 | 2020 |
|-----------------------------------|-------------------|-------------------|
| UNPAID CLAIMS - BEGINNING OF YEAR | \$ 922,357 | \$ 1,280,343 |
| Incurred claims (including IBNR) | 359,626 | 424,270 |
| Claims payments | (565,495) | (782,256) |
| UNPAID CLAIMS - END OF YEAR | <u>\$ 716,488</u> | <u>\$ 922,357</u> |

6. RISK MANAGEMENT (Continued)

Intergovernmental Personnel Benefit Cooperative

The Village participates in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC is a public entity risk pool established in 1979 by certain units of local government in Illinois to administer some or all of the personnel benefit programs (primarily medical, dental and life insurance coverage) offered by these members to their officers and employees and to the officers and employees of certain other governmental, quasi governmental and nonprofit public service entities. Management consists of a Board of Directors comprised of one appointed representative from each member. The officers of IPBC are chosen by the Board of Directors from among their membership.

The Village does not exercise any control over the activities of IPBC beyond its representation on the Board of Directors.

IPBC acts as an administrative agency to receive, process and pay such claims as may come within the benefit program of each member. Through IPBC, the Village offers both a PPO plan and an HMO plan. For those employees enrolled in the PPO plan, the Village is responsible for the first \$35,000 in claims for each individual employee participant every claim year. The members of IPBC share claims (for each individual employee) between \$35,000 and \$125,000. IPBC maintains stop-loss insurance to cover claims in excess of \$125,000. Approximately 87% of the Village's employees and retirees are PPO participants.

The HMO plan is also self-insured through a special arrangement. Members of IPBC pay for fixed costs of capitation and administration and then fund for claims not covered under the capitation fee. This plan is fully pooled and the Village is not individually rated based on claims experience. All members of the IPBC pay the same rates based on plan design choices. Approximately 13% of the Village's employees and retirees are HMO participants.

The Village makes payments to IPBC monthly based on its participation in the plan. The rates per individual participant are determined annually based on each member's prior experience within the pool and projected future claims. This rate also includes a provision for the cost of excess insurance purchased by IPBC.

The Village also makes monthly payments to IPBC for administration of the plan. The Village had an estimated terminal reserve net of deficit of other accounts as of December 31, 2021 of \$2,364,488. This amount was declared as a dividend to the Village and, therefore, has been recorded as a receivable in the Insurance Fund as of December 31, 2021.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. CONTINGENT LIABILITIES

a. Litigation

The Village is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Village's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

b. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, constitute a liability of the applicable funds.

The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

8. INDIVIDUAL FUND DISCLOSURES

a. Due From/To Other Funds

Individual fund interfund receivables/payables are as follows:

| Receivable Fund | Payable Fund | Amount |
|-------------------------|-----------------------|----------------------------|
| Police Pension | General | \$ 19,978 |
| Fire Pension | General | 9,508 |
| General | Internal Service | 1,310,511 |
| Waterworks and Sewerage | General | 793,650 |
| General | Nonmajor Governmental | <u>11,416</u> |
| TOTAL | | <u>\$ 2,145,063</u> |

The purposes of the significant due to/due from other funds are as follows:

- \$1,310,511 due from the Internal Service Fund to the General Fund to eliminate a deficit cash position due to prepaid liability insurance. Repayment is expected within one year.
- \$793,650 due to the Waterworks and Sewerage Fund from the General Fund to fund operations. Repayment is expected within one year.
- \$19,998 due from the General Fund to the Police Pension Fund is related to property tax contributions owed.
- \$9,508 due from the General Fund to the Fire Pension is related to property tax contributions owed.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. INDIVIDUAL FUND DISCLOSURES (Continued)

b. Advances To/From Other Funds

Individual fund interfund advances to/from are as follows:

| Receivable Fund | Payable Fund | Amount |
|-------------------------|-------------------|----------------------------|
| Waterworks and Sewerage | TIF #3 (Route 25) | \$ 3,000,000 |
| General | TIF #3 (Route 25) | <u>2,631,527</u> |
| TOTAL | | <u>\$ 5,631,527</u> |

- \$5,631,527 due from TIF #3 (Route 25) Fund to the General Fund and the Waterworks and Sewerage Fund to cover temporary cash deficits. Repayment is not expected within one year.

c. Interfund Transfers

Interfund transfers between funds for the year ended December 31, 2021, were as follows:

| | Transfers In | Transfers Out |
|---|----------------------------|----------------------------|
| General | | |
| Capital Improvement | \$ - | \$ 3,899,129 |
| Nonmajor Governmental (Veteran's Garden) | - | - |
| Nonmajor Governmental (Park Trust) | 4,146 | - |
| Nonmajor Governmental (Capital Equipment Replacement) | - | 1,297,000 |
| Nonmajor Governmental (Debt Service) | - | <u>318,200</u> |
| Total general | <u>4,146</u> | <u>5,514,329</u> |
| Nonmajor governmental | | |
| General | 1,625,200 | 4,146 |
| Nonmajor governmental | 376,950 | 386,950 |
| Waterworks and Sewerage | <u>307,161</u> | <u>-</u> |
| Total nonmajor governmental | <u>2,309,311</u> | <u>391,096</u> |
| Capital Improvement Projects | | |
| General | <u>3,899,129</u> | <u>-</u> |
| Total capital improvement projects | <u>3,899,129</u> | <u>-</u> |
| Waterworks and Sewerage | | |
| Nonmajor governmental | <u>-</u> | <u>307,161</u> |
| Total waterworks and sewerage | <u>-</u> | <u>307,161</u> |
| TOTAL | <u>\$ 6,212,586</u> | <u>\$ 6,212,586</u> |

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. INDIVIDUAL FUND DISCLOSURES (Continued)

c. Interfund Transfers (Continued)

The purpose of significant transfers is as follows:

- \$3,899,129 was transferred to the Capital Improvement Projects Fund from the General Fund to fund capital purchases and maintenance. This transfer will not be repaid.
- \$1,625,200 was transferred to the Nonmajor Governmental Funds from the General Fund. \$1,297,000 was transferred to the Capital Equipment Replacement Fund to fund capital purchases and maintenance. \$318,200 was transferred to the Debt Service Fund to fund portion of the 2010 and 2014 bonds. \$10,000 was transferred from the Park Trust Fund to transfer out income. These transfers will not be repaid.
- \$376,950 was transferred to Nonmajor Governmental Funds from Nonmajor Governmental Funds. This transfer will not be repaid.
- \$307,161 was transferred from the Waterworks and Sewerage Fund to the Capital Equipment Replacement Fund for the CERF contribution.

d. Deficit Fund Balances

- TIF #4 (Spring Hill Mall Redevelopment) had a deficit fund balance of \$(13,145), TIF #3 (Route 25) had a deficit fund balance of \$(3,374,708) and SSA #3 had a deficit fund balance of \$(4,152), as of December 31, 2021.

9. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described in the preceding note, the Village provides other postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan. Individuals retiring from the Village who are eligible to receive or are receiving a retirement or disability pension may elect to continue their medical insurance coverage through the Village. The Village is required to offer this coverage to such individuals under Illinois State Law (ILCS Ch. 215, Sec. 5/367f & 5/367j) as revised or under the Consolidated Omnibus Budget Reconciliation Act (COBRA). The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village through its personnel manual, except for the explicit and implicit subsidy which is governed by the State Legislature and ILCS. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The plan does not issue a separate report.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Benefits Provided

The Village provides postemployment health care and life insurance benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the Village's retirement plans.

All health care benefits are provided through the Village's health insurance plan with IPBC. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the Village's plan becomes secondary. The retirees pay 100% of the blended premium. The Village pays 100% of the cost of coverage for disabled police officers and firefighters receiving PSEBA benefits.

c. Membership

At December 31, 2020 (most recent data available), membership consisted of:

| | |
|--|-------------------|
| Retirees and beneficiaries currently receiving benefits | 22 |
| Terminated employees entitled to benefits but not yet receiving them | - |
| Active plan members | <u>157</u> |
| TOTAL | <u><u>179</u></u> |
| Participating employers | <u><u>1</u></u> |

d. Total OPEB Liability

The Village's total OPEB liability of \$6,674,791 was measured as of December 31, 2021 and was determined by an actuarial valuation as of December 31, 2020.

e. Actuarial Assumptions and Other Inputs

The total OPEB liability at December 31, 2021, as determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Actuarial Assumptions and Other Inputs (Continued)

| | |
|-----------------------------|------------------|
| Actuarial cost method | Entry-age normal |
| Actuarial value of assets | N/A |
| Salary increases | 3.50% |
| Discount rate | 1.84% |
| Healthcare cost trend rates | 4.50% to 7.50% |

The actuarial assumptions used in the December 31, 2021, valuation are based on 75% participation assumed and 50% are assumed to elect spousal coverage.

Probabilities of death for participants were according to RP2014 Blue Collar base rates projected to 2020 using scale MP2020 for Police and Fire. For all others the RP2014 base rates projected to 2020 using scale MP2020 was used. No additional provision (besides those already embedded) were included for mortality improvements beyond 2020.

The discount rate was based on the S&P Municipal Bond 20-Year High-Grade Rate Index at December 31, 2021.

f. Changes in the Total OPEB Liability

| | <u>Total OPEB Liability</u> |
|--|---------------------------------|
| BALANCES AT JANUARY 1, 2021 | <u>\$ 6,317,831</u> |
| Changes for the period | |
| Service cost | 363,224 |
| Interest | 124,179 |
| Difference between expected and actual experience | - |
| Changes in benefit terms | - |
| Changes in assumptions | 87,351 |
| Benefit payments | <u>(217,794)</u> |
| Net changes | <u>356,960</u> |
| BALANCES AT DECEMBER 31, 2021 | <u>\$ 6,674,791</u> |

Changes in assumptions related to the discount rate in 2021.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

g. Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the Village calculated using the discount rate of 1.84% as well as what the Village total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (0.84%) or 1 percentage point higher (2.84%) than the current rate:

| | 1% Decrease (0.84%) | Current Discount Rate (1.84%) | 1% Increase (2.84%) |
|----------------------|------------------------|-------------------------------------|------------------------|
| Total OPEB liability | \$ 7,259,406 | \$ 6,674,791 | \$ 6,134,671 |

The table below presents the total OPEB liability of the Village calculated using the healthcare rate of 4.50% to 7.50% as well as what the Village's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (3.50% to 6.50%) or 1 percentage point higher (5.50% to 8.50%) than the current rate:

| | 1% Decrease (3.50% to 6.50%) | Current Healthcare Rate (4.50% to 7.50%) | 1% Increase (5.50% to 8.50%) |
|----------------------|---------------------------------|--|---------------------------------|
| Total OPEB liability | \$ 5,935,932 | \$ 6,674,791 | \$ 7,538,170 |

h. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2021, the Village recognized OPEB expense of \$483,856. At December 31, 2021, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience | \$ 643,542 | \$ 1,023,510 |
| Changes in assumptions | 812,036 | 154,306 |
| TOTAL | \$ 1,455,578 | \$ 1,177,816 |

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

h. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

| <u>Year Ending December 31,</u> | <u>Net Deferred Outflows</u> |
|-------------------------------------|----------------------------------|
| 2022 | \$ (3,547) |
| 2023 | (3,547) |
| 2024 | (3,547) |
| 2025 | (3,547) |
| 2026 | (3,547) |
| Thereafter | <u>295,497</u> |
| TOTAL | <u>\$ 277,762</u> |

10. DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; the Police Pension Plan, which is a single-employer pension plan; and the Firefighters' Pension Plan, which is also a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all three plans are governed by ILCS and can only be amended by the Illinois General Assembly. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or at imrf.org. The Police and Firefighters' Pension Plans do not issue separate reports.

The aggregate pension expense and net pension liability for the three defined benefit pension plans was \$(623,591) and \$(27,260,209), respectively, for the year ended December 31, 2021. The aggregate pension deferred outflows and deferred inflows for the three defined benefit pension plans was \$7,878,753 and \$(15,953,354), respectively, for the year ended December 31, 2021.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration

All employees (other than those covered by the Police and Firefighters' Pension Plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership

At December 31, 2020, IMRF membership consisted of:

| | |
|---|-----------------------|
| Inactive employees or their beneficiaries currently receiving benefits | 90 |
| Inactive employees entitled to but not yet receiving benefits | 92 |
| Active employees | <u>72</u> |
| TOTAL | <u><u>254</u></u> |

Benefits Provided

All employees (other than those covered by the Police or Firefighters' Pension Plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions are established by state statute.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the year ended December 31, 2021, was 11.57% of covered payroll.

Actuarial Assumptions

The Village's net pension liability was measured as of December 31, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

| | |
|----------------------------|-------------------|
| Actuarial valuation date | December 31, 2020 |
| Actuarial cost method | Entry-age normal |
| Assumptions | |
| Inflation | 2.25% |
| Salary increases | 2.85% to 13.75% |
| Interest rate | 7.25% |
| Cost of living adjustments | 3.50% |
| Asset valuation method | Fair value |

For nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Changes in the Net Pension Liability

| | (a) Total Pension Liability | (b) Plan Fiduciary Net Position | (a) - (b) Net Pension Liability |
|--|--------------------------------------|--|--|
| BALANCES AT JANUARY 1, 2021 | \$ 32,623,600 | \$ 30,519,516 | \$ 2,104,084 |
| Changes for the period | | | |
| Service cost | 511,800 | - | 511,800 |
| Interest | 2,326,852 | - | 2,326,852 |
| Difference between expected and actual experience | 633,043 | - | 633,043 |
| Changes in assumptions | (230,730) | - | (230,730) |
| Employer contributions | - | 558,468 | (558,468) |
| Employee contributions | - | 231,191 | (231,191) |
| Net investment income | - | 4,339,058 | (4,339,058) |
| Benefit payments and refunds | (1,569,975) | (1,569,975) | - |
| Other | - | 172,112 | (172,112) |
| Net changes | 1,670,990 | 3,730,854 | (2,059,864) |
| BALANCES AT DECEMBER 31, 2021 | \$ 34,294,590 | \$ 34,250,370 | \$ 44,220 |

There was a change in assumptions for inflation, salary and mortality rates.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2021, the Village recognized pension expense of \$(107,406).

At December 31, 2021, the Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Difference between expected and actual experience | \$ 762,418 | \$ 34,114 |
| Changes in assumption | 179,550 | 160,738 |
| Net difference between projected and actual earnings on pension plan investments | - | 2,511,385 |
| Contributions subsequent to the measurement date | 613,961 | - |
| TOTAL | \$ 1,555,929 | \$ 2,706,237 |

\$613,961 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ending December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

| <u>Year Ending December 31,</u> | <u>Net Deferred Inflows</u> |
|-------------------------------------|---------------------------------|
| 2022 | \$ (204,535) |
| 2023 | (139,318) |
| 2024 | (990,728) |
| 2025 | (429,688) |
| 2026 | - |
| Thereafter | - |
| TOTAL | \$ (1,764,269) |

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the net pension liability (asset) of the Village calculated using the discount rate of 7.25% as well as what the Village's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

| | 1% Decrease (6.25%) | Current Discount Rate (7.25%) | 1% Increase (8.25%) |
|-------------------------------|------------------------|-------------------------------------|------------------------|
| Net pension liability (asset) | \$ 4,207,929 | \$ 44,220 | \$ (3,265,930) |

Police Pension Plan

Plan Administration

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

The plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active police employees.

Plan Membership

At December 31, 2021, the measurement date, membership consisted of:

| | |
|--|-------------------|
| Inactive plan members currently receiving benefits | 53 |
| Inactive plan members entitled to but not yet receiving benefits | 5 |
| Active plan members | <u>59</u> |
| TOTAL | <u><u>117</u></u> |

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive 2.50% of salary for each year of service. The monthly benefit shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the greater of the average monthly salary obtaining by dividing the total salary during the 48 consecutive months of service within the last 60 months in which the total salary was the highest by the number of months in that period; or the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later.

Contributions

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until 2040 to fund 90% of the past service cost for the Police Pension Plan. The Village has chosen a policy to fund 100% of the past service costs by 2040. For the year ended December 31, 2021, the Village's contribution was 45.35% of covered payroll.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Policy

ILCS limits the Police Pension Fund's (the Fund) investments to those allowable by ILCS and require the Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Fund's investment policy authorizes the Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment grade corporate bonds and The Illinois Funds. The Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds and corporate equity securities and real estate investment trusts. The Fund's investment policy was not revised during the year ended December 31, 2021.

The Fund's investment policy, in accordance with ILCS, establishes the following target allocation across asset classes:

| Asset Class | Target | Long-Term Expected Real Rate of Return |
|--|--------|--|
| U.S. Government and agency obligations | 30.00% | 1.50% |
| State, local and corporate bonds | 5.00% | 2.00% |
| Mutual funds | 25.00% | 5.25% |
| Equity | 40.00% | 6.00% |

The long-term expected real rates of return presented in the table above are net of estimated inflation of 2.50%. ILCS limits the Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Policy (Continued)

The long-term expected rate of return on the Fund's investments was determined using the intermediate returns of the indexes included in the Fund's investment policy target. The best estimate ranges of expected nominal rates of return (net of inflation) were developed for each investable index for the Fund as of December 31, 2021. These indexes include investments that are allowed by current Illinois state statute. These ranges were combined to produce long-term expected rate of return by weighting the expected future nominal rates of return by the target asset allocation percentage and by time period. Best estimates or arithmetic real rates of return for each index included in the Fund's target asset allocation as of December 31, 2021 are listed in the table on the previous page.

Investment Valuations

All investments in the plan are stated at fair value and are recorded as of the trade-date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Investment Rate of Return

For the year ended December 31, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 16.45%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Fund's deposits may not be returned to them. The Fund's policy does not require collateralization.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Interest Rate Risk

The following table presents the investments and maturities of the Fund's debt securities as of December 31, 2021:

| Investment Type | Fair Value | Investment Maturities (in Years) | | | |
|---------------------------|----------------------|----------------------------------|----------------------|-------------|------------------|
| | | Less than 1 | 1-5 | 6-10 | Greater than 10 |
| U.S. Treasury obligations | \$ 14,296,510 | \$ 1,746,966 | \$ 12,549,544 | \$ - | \$ - |
| U.S. agency obligations | 586,526 | - | 547,122 | - | 39,404 |
| Corporate bonds | 5,242,862 | 478,950 | 4,763,912 | - | - |
| Municipal bonds | 152,158 | - | 152,158 | - | - |
| TOTAL | \$ 20,278,056 | \$ 2,225,916 | \$ 18,012,736 | \$ - | \$ 39,404 |

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market.

Fair Value

The Fund has the following recurring fair value measurements as of December 31, 2021: The U.S. Treasury obligations are valued using quoted prices in active markets for identical assets (Level 1 inputs). The U.S. agency obligations, municipal bonds, and the corporate bonds are valued using quoted matrix pricing models (Level 2 inputs). The equity investments and equity mutual funds are valued using quoted prices in active markets for identical assets (Level 1 inputs).

Credit Risk

The Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in U.S. Treasury and U.S. agency obligations and other obligations which are rated in the top three classes by a national rating agency. The U.S. agency obligations are rated AA+. The corporate bonds range in rating from Baa3 to Aa2 by Moody's. The municipal bonds are not rated.

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Concentration of Credit Risk

Concentration of credit risk is the risk that the Fund has a high percentage of their investments invested in one type of investment. The Fund's investment policy requires diversification of investment to avoid unreasonable risk. There are no significant investments (other than United States Government guaranteed obligations and mutual funds) in any one organization that represent 5% or more of the Fund's investments.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. The Fund's investment policy does not address custodial credit risk. To limit its exposure, the Fund requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name. The money market mutual funds and equity mutual funds are not subject to custodial credit risk.

Discount Rate

The discount rate used to measure the total pension liability was 6.875% (7% in the prior year). The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Changes in the Net Pension Liability

| | (a) Total Pension Liability | (b) Plan Fiduciary Net Position | (a) - (b) Net Pension Liability |
|--|--------------------------------------|--|--|
| BALANCES AT JANUARY 1, 2021 | \$ 78,058,126 | \$ 56,481,259 | \$ 21,576,867 |
| Changes for the period | | | |
| Service cost | 1,221,094 | - | 1,221,094 |
| Interest | 5,405,359 | - | 5,405,359 |
| Changes in benefit terms | - | - | - |
| Difference between expected and actual experience | 2,516,061 | - | 2,516,061 |
| Changes in assumptions | 1,508,062 | - | 1,508,062 |
| Employer contributions | - | 2,600,398 | (2,600,398) |
| Employee contributions | - | 659,960 | (659,960) |
| Net investment income | - | 9,214,311 | (9,214,311) |
| Benefit payments and refunds | (4,119,616) | (4,119,616) | - |
| Administrative expense | - | (56,703) | 56,703 |
| Net changes | 6,530,960 | 8,298,350 | (1,767,390) |
| BALANCES AT DECEMBER 31, 2021 | \$ 84,589,086 | \$ 64,779,609 | \$ 19,809,477 |

There was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to the discount rate.

The plan's fiduciary net position as a percentage of the total pension liability was 76.58% at December 31, 2021.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation using the following actuarial methods and assumptions.

| | |
|----------------------------|----------------------------------|
| Actuarial valuation date | December 31, 2021 |
| Actuarial cost method | Entry-age normal |
| Assumptions | |
| Inflation | 2.50% |
| Salary increases | 3.50% to 11.00% |
| Interest rate | 6.875% |
| Cost of living adjustments | 3.00% (Tier 1) 1.25% (Tier 2) |
| Asset valuation method | Fair Value |

Mortality rates were based on the RP 2014 Mortality Table (BCHA) with improvement scale MP-2021 projected generationally from 2013. The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance in 2017.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 6.875% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.875%) or 1 percentage point higher (7.875%) than the current rate:

| | 1% Decrease (5.875%) | Current Discount Rate (6.875%) | 1% Increase (7.875%) |
|-----------------------|-------------------------|--------------------------------------|-------------------------|
| Net pension liability | \$ 31,998,227 | \$ 19,809,477 | \$ 9,894,472 |

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2021, the Village recognized pension expense of \$(823,440). At December 31, 2021, the Village reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Difference between expected and actual experience | \$ 2,770,324 | \$ 837,024 |
| Changes in assumptions | 1,448,367 | 680,674 |
| Net difference between projected and actual earnings on pension plan investments | - | 7,572,904 |
| TOTAL | \$ 4,218,691 | \$ 9,090,602 |

Changes in the net pension liability related to the difference in actual and expected experience or changes in assumptions regarding future events, are recognized in pension expense over the expected remaining service life of all employees (active and retired) in the plan. Differences in projected and actual earnings over the measurement period are recognized over a five-year period.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the police pension will be recognized in pension expense as follows:

| <u>Year Ending December 31,</u> | <u>Net Deferred Inflows</u> |
|-------------------------------------|---------------------------------|
| 2022 | \$ (2,041,577) |
| 2023 | (2,145,525) |
| 2024 | (1,081,746) |
| 2025 | (273,746) |
| 2026 | 670,683 |
| Thereafter | - |
| TOTAL | \$ (4,871,911) |

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan

Plan Administration

Firefighter sworn personnel are covered by the Firefighters' Pension Plan, a single-employer defined benefit pension plan sponsored by the Village. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-101) and may be amended only by the Illinois legislature. The Village accounts for the Firefighters' Pension Plan as a pension trust fund.

The plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active firefighter employees.

Plan Membership

At December 31, 2021, the measurement date, membership consisted of:

| | |
|--|------------------|
| Inactive plan members currently receiving benefits | 26 |
| Inactive plan members entitled to but not yet receiving benefits | 6 |
| Active plan members | <u>38</u> |
| TOTAL | <u><u>70</u></u> |

Benefits Provided

The following is a summary of benefits of the plan as provided for in ILCS:

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held at the date of retirement. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Benefits Provided (Continued)

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the greater of the average monthly salary obtained by dividing the total salary during the 48 consecutive months of service within the last 60 months in which the total salary was the highest by the number of months in that period; or the to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with fewer than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. Contributions are recognized when due pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Firefighters' Pension Plan. The costs of administering the Firefighters' Pension Plan are financed through investment earnings. The Village is required to finance the Firefighters' Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until 2040 to fund 90% of the past service cost for the Firefighters' Pension Plan. The Village has chosen a policy to fund 100% of the past service costs by 2040. For the year ended December 31, 2021, the Village's contribution was 40.37% of covered payroll.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Investment Policy

The Firefighters' Pension Fund's (the Fund) investment policy authorizes the Fund to invest in all investments allowed by ILCS. These include deposits/investments in insured commercial banks, savings and loan institutions, interest-bearing obligations of the U.S. Treasury and U.S. agencies, interest-bearing bonds of the State of Illinois or any county, township or municipal corporation of the State of Illinois, direct obligations of the State of Israel, money market mutual funds whose investments consist of obligations of the U.S. Treasury or U.S. agencies, separate accounts managed by life insurance companies, mutual funds, common and preferred stock, corporate bonds and The Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value).

It is the policy of the Fund to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Fund and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, preservation of principal, return on investment, maintenance of public trust and liquidity.

The Fund's investment policy was not revised during the year ended December 31, 2021.

The Fund's investment policy in accordance with ILCS establishes the following target allocation across asset classes:

| Asset Class | Target | Long-Term Expected Real Rate of Return |
|-------------------------|--------|--|
| Equity | | |
| U.S. Equity | 31.00% | 5.20% |
| Developed Market Equity | 16.00% | 5.10% |
| Emerging Market Equity | 8.00% | 5.50% |
| Private Equity | 5.00% | 8.60% |

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Investment Policy (Continued)

| Asset Class | Target | Long-Term Expected Real Rate of Return |
|-----------------------------|--------|--|
| Fixed Income | | |
| Public Credit | 3.00% | 1.80% |
| Private Credit | 5.00% | 7.00% |
| Cash Equivalents | 0.00% | (0.60%) |
| Core Investment Grade Bonds | 15.00% | 1.60% |
| Long-Term Treasuries | 3.00% | 1.30% |
| TIPS | 4.00% | 0.80% |
| Real Assets | | |
| Real Estate | 5.00% | 4.90% |
| Infrastructure | 5.00% | 5.10% |

The long-term expected real rates of return are net of a 2.50% factor for inflation and investment expense. ILCS limit the Fund's investments in equities, mutual funds and variable annuities to 65%.

Securities in any one company should not exceed 5% of the total fund.

The long-term expected rate of return on the Fund's investments was determined using a building-block method in which the best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) for each major assets class. Best estimates or geometric real rates of return excluding inflation for each major asset class included in the Fund's target asset allocation as of December 31, 2021, are listed in the table on the previous page.

Investment Rate of Return

For the year ended December 31, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 10.40%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Fund's deposits may not be returned to them. The Fund's investment policy requires all bank balances to be covered by federal depository insurance.

Interest Rate Risk

The following table presents the investments and maturities of the Fund's debt securities as of December 31, 2021:

| Investment Type | Fair Value | Investment Maturities (in Years) | | | |
|---------------------------|----------------------|----------------------------------|---------------------|---------------------|-----------------|
| | | Less than 1 | 1-5 | 6-10 | Greater than 10 |
| U.S. Treasury obligations | \$ 1,151,270 | \$ 150,330 | \$ 791,659 | \$ 209,281 | \$ - |
| U.S. agency obligations | 8,242,214 | 251,339 | 3,831,275 | 4,159,600 | - |
| Corporate bonds | 2,314,021 | - | 1,329,302 | 984,719 | - |
| Municipal bonds | 1,661,546 | 191,148 | 870,998 | 599,400 | - |
| Certificates of deposit | 440,511 | - | 344,532 | 95,979 | - |
| TOTAL | \$ 13,809,562 | \$ 592,817 | \$ 7,167,766 | \$ 6,048,979 | \$ - |

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The investment policy does not limit the maximum maturity length of investments in the Fund.

Fair Value

The Fund has the following recurring fair value measurements as of December 31, 2021: The U.S. Treasury obligations are valued using quoted prices in active markets for identical assets (Level 1 inputs). The U.S. agency obligations, corporate bonds, certificates of deposit and municipal bonds are valued using quoted matrix pricing models (Level 2 inputs). The equity mutual funds are priced daily at net asset value and are considered Level 1 inputs.

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Credit Risk

The Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in U.S. Treasury and U.S. agency obligations and municipal bonds. The U.S. agency obligations are rated Aaa and AA+ by Moody's and Standard and Poor's, respectively. The corporate bonds range in rating from A3 to Aaa and BBB+ to AAA by Moody's and Standard and Poor's, respectively. The municipal bonds range in rating from NR to Aaa and AA- to AA+ by Moody's and Standard and Poor's, respectively. The certificates of deposit are not rated.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Fund's requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment basis (DVP) with the underlying investments held in a third party custodial account.

Concentration of Credit Risk

Concentration of credit risk is the risk that the Fund has a high percentage of their investments invested in one type of investment. The Fund's investment policy does not specifically address diversification by investment type. There are no significant investments (other than United States Government guaranteed obligations) in any one organization that represent 5% or more of the Fund's investments.

Discount Rate

The discount rate used to measure the total pension liability was 7%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Changes in the Net Pension Liability

| | (a) Total Pension Liability | (b) Plan Fiduciary Net Position | (a) - (b) Net Pension Liability |
|--|--------------------------------------|--|--|
| BALANCES AT JANUARY 1, 2021 | \$ 38,707,282 | \$ 30,624,267 | \$ 8,083,015 |
| Changes for the period | | | |
| Service cost | 892,669 | - | 892,669 |
| Interest | 2,720,396 | - | 2,720,396 |
| Change of benefit terms | - | - | - |
| Difference between expected and actual experience | (496,963) | - | (496,963) |
| Changes of assumptions | 1,153,057 | - | 1,153,057 |
| Employer contributions | - | 1,467,387 | (1,467,387) |
| Employee contributions | - | 330,544 | (330,544) |
| Net investment income | - | 3,195,592 | (3,195,592) |
| Benefit payments and refunds | (1,474,306) | (1,474,306) | - |
| Administrative expense | - | (47,881) | 47,881 |
| Net changes | 2,794,853 | 3,471,336 | (676,483) |
| BALANCES AT DECEMBER 31, 2021 | \$ 41,502,135 | \$ 34,095,603 | \$ 7,406,532 |

The plan's fiduciary net position as a percentage of the total pension liability was 82.15% at December 31, 2021. There was a change in assumptions with respect to mortality, retirement, termination and salary rates.

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation using the following actuarial methods and assumptions.

| | |
|----------------------------|------------------------------------|
| Actuarial valuation date | December 31, 2021 |
| Actuarial cost method | Entry-age normal |
| Assumptions | |
| Inflation | 2.50% |
| Salary increases | 4.25 to 12.78% |
| Interest rate | 7.00% |
| Cost of living adjustments | Tier 1 at 3.00% Tier 2 at 1.25% |
| Asset valuation method | Fair value |

Mortality rates were based on the PubS-2010 mortality projected five years past the valuation date with Scale MP-2021.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 7% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6%) or 1 percentage point higher (8%) than the current rate:

| | 1% Decrease (6%) | Current Discount Rate (7%) | 1% Increase (8%) |
|-----------------------|---------------------|----------------------------------|---------------------|
| Net pension liability | \$ 14,160,668 | \$ 7,406,532 | \$ 1,988,629 |

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2021, the Village recognized pension expense of \$307,255. At December 31, 2021, the Village reported deferred outflows of resources and deferred inflows of resources related to the firefighters' pension from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Difference between expected and actual experience | \$ 609,782 | \$ 1,187,210 |
| Changes in assumption | 1,494,351 | 539,810 |
| Net difference between projected and actual earnings on pension plan investments | - | 2,429,495 |
| TOTAL | <u>\$ 2,104,133</u> | <u>\$ 4,156,515</u> |

Changes in the net pension liability related to the difference in actual and expected experience or changes in assumptions regarding future events, are recognized in pension expense over the expected remaining service life of all employees (active and retired) in the plan. Differences in projected and actual earnings over the measurement period are recognized over a five-year period.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the firefighters' pension will be recognized in pension expense as follows:

| <u>Year Ending December 31,</u> | <u>Net Deferred Outflows</u> |
|-------------------------------------|----------------------------------|
| 2022 | \$ (696,351) |
| 2023 | (1,230,723) |
| 2024 | (404,611) |
| 2025 | 177 |
| 2026 | 115,102 |
| Thereafter | 164,024 |
| TOTAL | <u>\$ (2,052,382)</u> |

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

b. Pension Fund Disclosures

Plan Net Position

| | Police Pension | Firefighters' Pension | Total |
|--|----------------------|--------------------------|----------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 19,084 | \$ 6,325 | \$ 25,409 |
| Investments, at fair value | | | |
| Money market mutual funds | 1,739,028 | 869,992 | 2,609,020 |
| U.S. Treasury obligations | 14,296,510 | 1,151,270 | 15,447,780 |
| U.S. agency obligations | 586,526 | 8,242,214 | 8,828,740 |
| Municipal bonds | 152,158 | 1,661,546 | 1,813,704 |
| Equities | 28,709,787 | - | 28,709,787 |
| Corporate bonds | 5,242,862 | 2,314,021 | 7,556,883 |
| Equity mutual funds | 13,919,450 | 19,331,969 | 33,251,419 |
| Negotiable CDs | - | 440,511 | 440,511 |
| Accrued interest | 100,537 | 67,860 | 168,397 |
| Prepaid items | 795 | 6,205 | 7,000 |
| Due from other funds | 19,978 | 9,508 | 29,486 |
| | <u>64,786,715</u> | <u>34,101,421</u> | <u>98,888,136</u> |
| LIABILITIES | | | |
| Accounts payable | 7,106 | 5,818 | 12,924 |
| | <u>7,106</u> | <u>5,818</u> | <u>12,924</u> |
| NET POSITION HELD IN TRUST FOR PENSION BENEFITS | | | |
| | <u>\$ 64,779,609</u> | <u>\$ 34,095,603</u> | <u>\$ 98,875,212</u> |

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

b. Pension Fund Disclosures (Continued)

Changes in Plan Net Position

| | Police Pension | Firefighters' Pension | Total |
|--|-------------------|--------------------------|---------------|
| ADDITIONS | | | |
| Contributions | | | |
| Employer | \$ 2,600,398 | \$ 1,467,387 | \$ 4,067,785 |
| Employee | 659,960 | 330,544 | 990,504 |
| Total contributions | 3,260,358 | 1,797,931 | 5,058,289 |
| Investment income | | | |
| Net appreciation in fair value of investments | 8,264,065 | 1,852,360 | 10,116,425 |
| Interest | 1,181,130 | 1,442,655 | 2,623,785 |
| Total investment income | 9,445,195 | 3,295,015 | 12,740,210 |
| Less investment expense | (230,884) | (99,423) | (330,307) |
| Net investment income | 9,214,311 | 3,195,592 | 12,409,903 |
| Total additions | 12,474,669 | 4,993,523 | 17,468,192 |
| DEDUCTIONS | | | |
| Administration | 56,703 | 47,881 | 104,584 |
| Pension benefits and refunds | 4,119,616 | 1,474,306 | 5,593,922 |
| Total deductions | 4,176,319 | 1,522,187 | 5,698,506 |
| NET INCREASE | 8,298,350 | 3,471,336 | 11,769,686 |
| NET POSITION HELD IN TRUST FOR PENSION BENEFITS | | | |
| January 1 | 56,481,259 | 30,624,267 | 87,105,526 |
| December 31 | \$ 64,779,609 | \$ 34,095,603 | \$ 98,875,212 |

VILLAGE OF CARPENTERSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. TAX ABATEMENTS

The Village rebates home rule sales tax to encourage economic development in the Village. The terms of these rebate arrangements are specified within written agreements with the business concerned through the Village's economic development program. There are no recapture provisions if the business fails to meet or maintain the criteria established in the written agreements. These agreements are authorized through resolutions approved by the Village Board of Trustees. The Village did not rebate any home rule sales tax during the year ended December 31, 2021.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF CARPENTERSVILLE, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual |
|--|----------------------------|-------------------------|-----------------------------|
| REVENUES | | | |
| Taxes | \$ 24,493,367 | \$ 24,493,367 | \$ 27,503,625 |
| Intergovernmental | 6,441,650 | 6,441,650 | 6,593,072 |
| Licenses and permits | 528,250 | 528,250 | 695,214 |
| Charges for services | 2,262,000 | 2,262,000 | 2,999,169 |
| Fines and forfeitures | 354,500 | 354,500 | 395,160 |
| Interest | 35,000 | 35,000 | 20,057 |
| Miscellaneous | 555,800 | 555,800 | 531,998 |
| Total revenues | <u>34,670,567</u> | <u>34,670,567</u> | <u>38,738,295</u> |
| EXPENDITURES | | | |
| General government | 6,389,929 | 6,389,929 | 5,873,461 |
| Public safety | 19,739,902 | 19,739,902 | 19,957,265 |
| Public works | 3,252,729 | 3,252,729 | 2,833,359 |
| Community development | 1,416,552 | 1,416,552 | 1,237,493 |
| Culture and recreation | 290,650 | 290,650 | 179,240 |
| Total expenditures | <u>31,089,762</u> | <u>31,089,762</u> | <u>30,080,818</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>3,580,805</u> | <u>3,580,805</u> | <u>8,657,477</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 4,000 | 4,000 | 4,146 |
| Transfers (out) | <u>(5,514,329)</u> | <u>(5,514,329)</u> | <u>(5,514,329)</u> |
| Total other financing sources (uses) | <u>(5,510,329)</u> | <u>(5,510,329)</u> | <u>(5,510,183)</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ (1,929,524)</u> | <u>\$ (1,929,524)</u> | 3,147,294 |
| FUND BALANCE, JANUARY 1 | | | <u>17,261,836</u> |
| FUND BALANCE, DECEMBER 31 | | | <u>\$ 20,409,130</u> |

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TIF #3 (ROUTE 25) FUND**

For the Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual |
|--|----------------------------|-------------------------|------------------------------|
| REVENUES | | | |
| Taxes | | | |
| Property | \$ 885,000 | \$ 885,000 | \$ 945,198 |
| Interest | - | - | 2,079 |
| | <hr/> | <hr/> | <hr/> |
| Total revenues | 885,000 | 885,000 | 947,277 |
| | <hr/> | <hr/> | <hr/> |
| EXPENDITURES | | | |
| Current | | | |
| Community development | | | |
| Contractual services | 5,251 | 5,251 | 283 |
| | <hr/> | <hr/> | <hr/> |
| Total expenditures | 5,251 | 5,251 | 283 |
| | <hr/> | <hr/> | <hr/> |
| NET CHANGE IN FUND BALANCE | <u>\$ 879,749</u> | <u>\$ 879,749</u> | 946,994 |
| FUND BALANCE (DEFICIT), JANUARY 1 | | | <u>(4,321,702)</u> |
| FUND BALANCE (DEFICIT), DECEMBER 31 | | | <u>\$ (3,374,708)</u> |

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2021

BUDGETS

Annual budgets are adopted for all governmental and proprietary funds. Budgets are adopted on a basis consistent with GAAP (except for the Waterworks and Sewerage Fund, which budgets for debt principal payments and capital outlay but not for depreciation and amortization). All annual budgets lapse at fiscal year-end unless specifically carried over.

The legal level of control is the department level. The Village may authorize transfers of budgeted amounts within departments. Transfers between departments and changes to the overall budget must be approved by a two-thirds board action. During the year, there were no budget amendments.

The following funds had expenditures in excess of budget in the current year:

| <u>Fund</u> | <u>Actual Expense/ Expenditures</u> | <u>Final Budget</u> | <u>Excess</u> |
|----------------------------|---|-------------------------|---------------|
| Special Service Area No. 1 | \$ 24,975 | \$ 20,500 | \$ 4,475 |
| Special Service Area No. 2 | 11,145 | 7,000 | 4,145 |
| TIF #4 | 11,642 | 284 | 11,358 |
| Park Trust | 3,506 | 3,000 | 506 |

VILLAGE OF CARPENTERSVILLE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Seven Fiscal Years

| FISCAL YEAR ENDED DECEMBER 31, | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Actuarially determined contribution | \$ 643,088 | \$ 659,799 | \$ 636,390 | \$ 604,583 | \$ 495,828 | \$ 541,781 | \$ 613,961 |
| Contributions in relation to the actuarially determined contribution | 643,088 | 659,799 | 636,390 | 604,583 | 495,828 | 541,781 | 613,961 |
| CONTRIBUTION DEFICIENCY (Excess) | \$ - |
| Covered payroll | \$ 5,611,585 | \$ 5,772,517 | \$ 5,702,426 | \$ 5,443,755 | \$ 5,233,856 | \$ 6,149,692 | \$ 5,304,909 |
| Contributions as a percentage of covered payroll | 11.46% | 11.43% | 11.16% | 11.11% | 9.47% | 8.81% | 11.57% |

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior calendar year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was aggregate entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 23 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 3.35% to 14.25% compounded annually and postretirement benefit increases of 3.00% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

Last Eight Fiscal Periods

| FISCAL PERIOD ENDED DECEMBER 31, | 2015 | 2015* | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---------------------|---------------|---------------------|---------------|-----------------|---------------------|------------------|-------------------|
| Actuarially determined contribution | \$ 1,890,507 | \$ 2,085,014 | \$ 1,530,352 | \$ 2,615,965 | \$ 2,592,631 | \$ 2,449,061 | \$ 2,672,008 | \$ 2,717,662 |
| Contributions in relation to the actuarially determined contribution | 2,018,731 | 2,085,015 | 2,346,705 | 2,615,967 | 2,586,666 | 2,598,600 | 2,587,290 | 2,600,398 |
| CONTRIBUTION DEFICIENCY (Excess) | \$ (128,224) | \$ (1) | \$ (816,353) | \$ (2) | \$ 5,965 | \$ (149,539) | \$ 84,718 | \$ 117,264 |
| Covered payroll | \$ 5,313,697 | \$ 5,672,798 | \$ 5,448,711 | \$ 5,569,576 | \$ 5,713,254 | \$ 5,728,913 | \$ 5,497,695 | \$ 5,733,826 |
| Contributions as a percentage of covered payroll | 37.99% | 36.75% | 43.07% | 46.97% | 45.27% | 45.36% | 47.06% | 45.35% |

*The Police Pension Fund changed its fiscal year end from April 30 to December 31 effective December 31, 2015.

Covered payroll has been annualized to reflect the change in fiscal year end.

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal period. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 19 years; the asset valuation method was at five year smoothed market value; and the significant actuarial assumptions were an investment rate of return at 7.00% annually, projected salary increases assumption of 3.50% to 11.00% compounded annually and postretirement benefit increases of 3.00% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION FUND

Last Eight Fiscal Periods

| FISCAL PERIOD ENDED DECEMBER 31, | 2015 | 2015* | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---------------|---------------|---------------------|---------------|-----------------|---------------------|------------------|-------------------|
| Actuarially determined contribution | \$ 654,008 | \$ 1,010,754 | \$ 722,056 | \$ 1,213,828 | \$ 1,245,102 | \$ 1,050,760 | \$ 1,327,085 | \$ 1,458,002 |
| Contributions in relation to the actuarially determined contribution | 654,009 | 1,010,757 | 1,107,232 | 1,213,829 | 1,242,243 | 1,247,967 | 1,242,538 | 1,467,387 |
| CONTRIBUTION DEFICIENCY (Excess) | \$ (1) | \$ (3) | \$ (385,176) | \$ (1) | \$ 2,859 | \$ (197,207) | \$ 84,547 | \$ (9,385) |
| Covered payroll | \$ 3,065,913 | \$ 3,215,405 | \$ 3,086,539 | \$ 3,068,111 | \$ 3,233,470 | \$ 3,336,073 | \$ 3,412,379 | \$ 3,635,190 |
| Contributions as a percentage of covered payroll | 21.33% | 31.43% | 35.87% | 39.56% | 38.42% | 37.41% | 36.41% | 40.37% |

*The Firefighters' Pension Fund changed its fiscal year end from April 30 to December 31 effective December 31, 2015.

Covered payroll has been annualized to reflect the change in fiscal year end.

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal period. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 19 years; the asset valuation method was at five year smoothed market value; and the significant actuarial assumptions were an investment rate of return at 7.00% annually, projected salary increases assumption of 4.25% to 12.78% compounded annually and postretirement benefit increases of 3.00% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFIT PLAN

Last Four Fiscal Years

| MEASUREMENT DATE DECEMBER 31, | 2018 | 2019 | 2020 | 2021 |
|---|---------------------|---------------------|---------------------|---------------------|
| TOTAL OPEB LIABILITY | | | | |
| Service cost | \$ 272,815 | \$ 251,689 | \$ 314,177 | \$ 363,224 |
| Interest | 189,183 | 163,094 | 131,253 | 124,179 |
| Changes in benefit terms | - | - | (22,674) | - |
| Differences between expected and actual experience | (1,598,418) | - | 782,058 | - |
| Changes of assumptions | (240,978) | 532,321 | 417,673 | 87,351 |
| Benefit payments, including refunds of member contributions | (138,986) | (149,410) | (154,961) | (217,794) |
| Net change in total OPEB liability | (1,516,384) | 797,694 | 1,467,526 | 356,960 |
| Total OPEB liability - beginning | 5,568,995 | 4,052,611 | 4,850,305 | 6,317,831 |
| TOTAL OPEB LIABILITY - ENDING | \$ 4,052,611 | \$ 4,850,305 | \$ 6,317,831 | \$ 6,674,791 |
| Covered-employee payroll | \$ 12,938,406 | \$ 13,391,250 | \$ 13,359,233 | \$ 13,826,807 |
| Employer's net pension liability as a percentage of covered-employee payroll | 31.32% | 36.22% | 47.29% | 48.27% |

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Changes in assumptions related to the discount rate were made in 2018 and 2019.

Changes in assumptions related to the discount rate and insurance costs were made in 2020.

Changes in assumptions related to the discount rate were made in 2021.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Seven Fiscal Years

| MEASUREMENT DATE DECEMBER 31, | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| TOTAL PENSION LIABILITY | | | | | | | |
| Service cost | \$ 694,873 | \$ 621,377 | \$ 595,614 | \$ 623,149 | \$ 569,062 | \$ 535,694 | \$ 511,800 |
| Interest | 1,694,285 | 1,866,746 | 1,959,737 | 2,034,251 | 2,084,700 | 2,169,694 | 2,326,852 |
| Changes in benefit terms | - | - | - | - | - | - | - |
| Differences between expected and actual experience | 23,997 | (225,721) | (460,272) | 29,469 | (169,831) | 922,708 | 633,043 |
| Changes of assumptions | 812,522 | 35,454 | (71,404) | (867,530) | 893,841 | - | (230,730) |
| Benefit payments, including refunds of member contributions | (817,433) | (895,018) | (1,121,907) | (1,105,672) | (1,133,607) | (1,326,931) | (1,569,975) |
| Net change in total pension liability | 2,408,244 | 1,402,838 | 901,768 | 713,667 | 2,244,165 | 2,301,165 | 1,670,990 |
| Total pension liability - beginning | 22,651,753 | 25,059,997 | 26,462,835 | 27,364,603 | 28,078,270 | 30,322,435 | 32,623,600 |
| TOTAL PENSION LIABILITY - ENDING | \$ 25,059,997 | \$ 26,462,835 | \$ 27,364,603 | \$ 28,078,270 | \$ 30,322,435 | \$ 32,623,600 | \$ 34,294,590 |
| PLAN FIDUCIARY NET POSITION | | | | | | | |
| Contributions - employer | \$ 657,205 | \$ 643,088 | \$ 659,799 | \$ 636,390 | \$ 604,583 | \$ 495,828 | \$ 558,468 |
| Contributions - member | 257,840 | 252,522 | 259,764 | 299,909 | 244,970 | 235,523 | 231,191 |
| Net investment income | 1,292,033 | 114,281 | 1,558,386 | 4,045,972 | (1,389,331) | 4,727,868 | 4,339,058 |
| Benefit payments, including refunds of member contributions | (817,433) | (895,018) | (1,121,907) | (1,105,672) | (1,133,607) | (1,326,931) | (1,569,975) |
| Administrative expense | 334,250 | (269,739) | (322,191) | (391,541) | 456,736 | 383,876 | 172,112 |
| Net change in plan fiduciary net position | 1,723,895 | (154,866) | 1,033,851 | 3,485,058 | (1,216,649) | 4,516,164 | 3,730,854 |
| Plan fiduciary net position - beginning | 21,132,063 | 22,855,958 | 22,701,092 | 23,734,943 | 27,220,001 | 26,003,352 | 30,519,516 |
| PLAN FIDUCIARY NET POSITION - ENDING | \$ 22,855,958 | \$ 22,701,092 | \$ 23,734,943 | \$ 27,220,001 | \$ 26,003,352 | \$ 30,519,516 | \$ 34,250,370 |
| EMPLOYER'S NET PENSION LIABILITY | \$ 2,204,039 | \$ 3,761,743 | \$ 3,629,660 | \$ 858,269 | \$ 4,319,083 | \$ 2,104,084 | \$ 44,220 |

| MEASUREMENT DATE DECEMBER 31, | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Plan fiduciary net position as a percentage of the total pension liability | 91.20% | 85.78% | 86.74% | 96.94% | 85.76% | 93.55% | 99.87% |
| Covered payroll | \$ 5,515,696 | \$ 5,611,585 | \$ 5,772,517 | \$ 5,702,426 | \$ 5,443,755 | \$ 5,233,856 | \$ 5,138,326 |
| Employer's net pension liability as a percentage of covered payroll | 39.96% | 67.04% | 62.88% | 15.05% | 79.34% | 40.20% | 0.86% |

Notes to Required Supplementary Information

The retirement age and mortality assumptions were changed in 2014.

There were changes in assumptions related to inflation and salary increases in 2017.

The discount rate assumption was changed in 2015, 2016 and 2018.

In 2020, changes in assumptions related to inflation rates, salary rate increases and mortality rates were made since the prior measurement date.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION FUND

Last Eight Fiscal Periods

| MEASUREMENT DATE DECEMBER 31, | 2015 | 2015* | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| TOTAL PENSION LIABILITY | | | | | | | | |
| Service cost | \$ 1,397,914 | \$ 986,247 | \$ 1,588,339 | \$ 1,491,977 | \$ 1,086,658 | \$ 1,270,759 | \$ 1,295,234 | \$ 1,221,094 |
| Interest | 3,918,413 | 2,899,473 | 4,681,518 | 4,846,657 | 4,911,610 | 4,990,246 | 5,172,157 | 5,405,359 |
| Changes of benefit terms | - | - | - | - | - | 103,308 | - | - |
| Differences between expected and actual experience | (1,402,369) | (292,474) | (605,963) | (490,941) | (3,107,992) | (325,648) | 1,010,411 | 2,516,061 |
| Changes of assumptions | 4,078,160 | 3,228,932 | (680,503) | (3,396,386) | 958,237 | (199,184) | (325,777) | 1,508,062 |
| Benefit payments, including refunds of member contributions | (2,215,557) | (1,460,181) | (2,689,679) | (2,558,848) | (2,661,262) | (3,157,235) | (3,373,233) | (4,119,616) |
| Net change in total pension liability | 5,776,561 | 5,361,997 | 2,293,712 | (107,541) | 1,187,251 | 2,682,246 | 3,778,792 | 6,530,960 |
| Total pension liability - beginning | 57,085,108 | 62,861,669 | 68,223,666 | 70,517,378 | 70,409,837 | 71,597,088 | 74,279,334 | 78,058,126 |
| TOTAL PENSION LIABILITY - ENDING | \$ 62,861,669 | \$ 68,223,666 | \$ 70,517,378 | \$ 70,409,837 | \$ 71,597,088 | \$ 74,279,334 | \$ 78,058,126 | \$ 84,589,086 |
| PLAN FIDUCIARY NET POSITION | | | | | | | | |
| Contributions - employer | \$ 2,018,731 | \$ 2,085,015 | \$ 2,346,705 | \$ 2,615,967 | \$ 2,586,666 | \$ 2,598,600 | \$ 2,587,290 | \$ 2,600,398 |
| Contributions - member | 516,271 | 374,280 | 531,488 | 544,302 | 562,893 | 555,777 | 864,483 | 659,960 |
| Net investment income | 2,214,608 | (194,321) | 1,768,216 | 5,050,122 | (1,758,343) | 8,208,742 | 7,060,575 | 9,214,311 |
| Benefit payments, including refunds of member contributions | (2,215,557) | (1,460,181) | (2,689,679) | (2,558,848) | (2,661,262) | (3,157,235) | (3,373,233) | (4,119,616) |
| Administrative expense | (32,809) | (31,603) | (35,811) | (45,887) | (65,315) | (45,703) | (34,629) | (56,703) |
| Net change in plan fiduciary net position | 2,501,244 | 773,190 | 1,920,919 | 5,605,656 | (1,335,361) | 8,160,181 | 7,104,486 | 8,298,350 |
| Plan fiduciary net position - beginning | 31,750,944 | 34,252,188 | 35,025,378 | 36,946,297 | 42,551,953 | 41,216,592 | 49,376,773 | 56,481,259 |
| PLAN FIDUCIARY NET POSITION - ENDING | \$ 34,252,188 | \$ 35,025,378 | \$ 36,946,297 | \$ 42,551,953 | \$ 41,216,592 | \$ 49,376,773 | \$ 56,481,259 | \$ 64,779,609 |
| EMPLOYER'S NET PENSION LIABILITY | \$ 28,609,481 | \$ 33,198,288 | \$ 33,571,081 | \$ 27,857,884 | \$ 30,380,496 | \$ 24,902,561 | \$ 21,576,867 | \$ 19,809,477 |

| MEASUREMENT DATE DECEMBER 31, | 2015 | 2015* | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Plan fiduciary net position as a percentage of the total pension liability | 54.49% | 51.34% | 52.39% | 60.43% | 57.57% | 66.47% | 72.36% | 76.58% |
| Covered payroll | \$ 5,313,697 | \$ 5,672,798 | \$ 5,448,711 | \$ 5,569,576 | \$ 5,713,254 | \$ 5,728,913 | \$ 5,497,695 | \$ 5,733,826 |
| Employer's net pension liability as a percentage of covered payroll | 538.41% | 585.22% | 616.13% | 500.18% | 531.75% | 434.68% | 392.47% | 345.48% |

*The Police Pension Fund changed its fiscal year end from April 30 to December 31 effective December 31, 2015.

Notes to Required Supplementary Information

There was a change in 2015, 2015*, 2016, 2017, 2018, 2019 and 2020 with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality tables. In 2019, there were changes in plan benefits required under PA-101-0610 (SB 1300). In 2021, there was a change with respect to the discount rate.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
FIREFIGHTERS' PENSION FUND

Last Eight Fiscal Periods

| MEASUREMENT DATE DECEMBER 31, | 2015 | 2015* | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| TOTAL PENSION LIABILITY | | | | | | | | |
| Service cost | \$ 977,566 | \$ 630,209 | \$ 1,007,357 | \$ 963,744 | \$ 806,356 | \$ 868,540 | \$ 897,043 | \$ 892,669 |
| Interest | 1,680,310 | 1,303,294 | 2,078,046 | 2,231,128 | 2,262,506 | 2,382,238 | 2,565,407 | 2,720,396 |
| Changes of benefit terms | - | - | - | - | - | 56,270 | - | - |
| Differences between expected and actual experience | 807,759 | (661,772) | 453,352 | (658,180) | (1,316,744) | 654,661 | 231,628 | (496,963) |
| Changes to assumptions | 1,170,637 | 1,285,329 | (293,864) | (1,729,979) | 1,132,663 | - | - | 1,153,057 |
| Benefit payments, including refunds of member contributions | (818,320) | (607,615) | (989,209) | (1,126,806) | (1,202,826) | (1,270,183) | (1,476,846) | (1,474,306) |
| Net change in total pension liability | 3,817,952 | 1,949,445 | 2,255,682 | (320,093) | 1,681,955 | 2,691,526 | 2,217,232 | 2,794,853 |
| Total pension liability - beginning | 24,413,583 | 28,231,535 | 30,180,980 | 32,436,662 | 32,116,569 | 33,798,524 | 36,490,050 | 38,707,282 |
| TOTAL PENSION LIABILITY - ENDING | \$ 28,231,535 | \$ 30,180,980 | \$ 32,436,662 | \$ 32,116,569 | \$ 33,798,524 | \$ 36,490,050 | \$ 38,707,282 | \$ 41,502,135 |
| PLAN FIDUCIARY NET POSITION | | | | | | | | |
| Contributions - employer | \$ 654,009 | \$ 1,010,757 | \$ 1,107,232 | \$ 1,213,829 | \$ 1,242,243 | \$ 1,247,967 | \$ 1,242,538 | \$ 1,467,387 |
| Contributions - member | 300,585 | 212,253 | 299,097 | 382,705 | 307,849 | 324,012 | 365,373 | 330,544 |
| Net investment income | 1,176,055 | (184,303) | 1,126,737 | 2,492,618 | (940,053) | 4,020,041 | 3,769,332 | 3,195,592 |
| Benefit payments, including refunds of member contributions | (818,320) | (607,615) | (989,209) | (1,126,806) | (1,202,826) | (1,270,183) | (1,476,846) | (1,474,306) |
| Administrative expense | (44,299) | (20,862) | (42,562) | (42,149) | (40,357) | (61,033) | (46,261) | (47,881) |
| Net change in plan fiduciary net position | 1,268,030 | 410,230 | 1,501,295 | 2,920,197 | (633,144) | 4,260,804 | 3,854,136 | 3,471,336 |
| Plan fiduciary net position - beginning | 17,042,719 | 18,310,749 | 18,720,979 | 20,222,274 | 23,142,471 | 22,509,327 | 26,770,131 | 30,624,267 |
| PLAN FIDUCIARY NET POSITION - ENDING | \$ 18,310,749 | \$ 18,720,979 | \$ 20,222,274 | \$ 23,142,471 | \$ 22,509,327 | \$ 26,770,131 | \$ 30,624,267 | \$ 34,095,603 |
| EMPLOYER'S NET PENSION LIABILITY | \$ 9,920,786 | \$ 11,460,001 | \$ 12,214,388 | \$ 8,974,098 | \$ 11,289,197 | \$ 9,719,919 | \$ 8,083,015 | \$ 7,406,532 |

| MEASUREMENT DATE DECEMBER 31, | 2015 | 2015* | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Plan fiduciary net position as a percentage of the total pension liability | 64.86% | 62.03% | 62.34% | 72.06% | 66.60% | 73.36% | 79.12% | 82.15% |
| Covered payroll | \$ 3,065,913 | \$ 3,215,405 | \$ 3,086,539 | \$ 3,068,111 | \$ 3,233,470 | \$ 3,336,073 | \$ 3,412,379 | \$ 3,635,190 |
| Employer's net pension liability as a percentage of covered payroll | 323.58% | 356.41% | 395.73% | 292.50% | 349.14% | 291.36% | 236.87% | 203.75% |

*The Firefighters' Pension Fund changed its fiscal year end from April 30 to December 31 effective December 31, 2015.

Notes to Required Supplementary Information

There was a change in 2015, 2015*, 2016 and 2017 with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality tables.

There were changes in 2018 with respect to actuarial assumptions from the prior year to reflect revised expectations related to mortality tables.

For 2019, there were changes in plan benefits required under PA-101-0610 (SB 1300).

For 2021, there were changes with respect to the mortality, retirement, termination and salary rates.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND

Last Eight Fiscal Periods

| FISCAL PERIOD ENDED DECEMBER 31, | 2015 | 2015* | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|-------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Annual money-weighted rate of return, net of investment expense | 6.95% | (0.47%) | 5.40% | 13.90% | (4.11%) | 19.92% | 14.30% | 16.45% |

*The Police Pension Fund changed its fiscal year end from April 30 to December 31 effective December 31, 2015.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS
FIREFIGHTERS' PENSION FUND

Last Eight Fiscal Periods

| FISCAL PERIOD ENDED DECEMBER 31, | 2015 | 2015* | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|-------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Annual money-weighted rate of return, net of investment expense | 6.81% | (0.93%) | 6.00% | 12.26% | (4.06%) | 17.87% | 14.18% | 10.40% |

*The Firefighters' Pension Fund changed its fiscal year end from April 30 to December 31 effective December 31, 2015.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**COMBINING AND INDIVIDUAL FUND FINANCIAL
STATEMENTS AND SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

MAJOR GOVERNMENTAL FUNDS

General Fund - to account for all financial resources of the general government, except those accounted for in another fund.

TIF#3 (Route 25) Fund - This fund is used to account for the funds restricted for the redevelopment activities of the tax increment financing district established to rehabilitate and redevelop the corridor around Route 25 through an integrated and comprehensive strategy that utilizes public resources to stimulate additional private investment in an area that would not otherwise be commercially productive.

Capital Improvement Program Fund - to account for the resources assigned for the construction and major improvements to the Village's general infrastructure.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual |
|------------------------------------|----------------------------|-------------------------|-------------------|
| REVENUES | | | |
| Taxes | | | |
| Property taxes | \$ 11,731,733 | \$ 11,731,733 | \$ 11,739,860 |
| Sales | 9,122,000 | 9,122,000 | 12,084,586 |
| Local use | 1,620,713 | 1,620,713 | 1,463,860 |
| Utility tax | 1,450,000 | 1,450,000 | 1,561,136 |
| Telecommunications | 235,000 | 235,000 | 201,154 |
| Video gaming tax | 333,921 | 333,921 | 453,029 |
| Total taxes | 24,493,367 | 24,493,367 | 27,503,625 |
| Intergovernmental | | | |
| Illinois state income tax | 3,769,100 | 3,769,100 | 5,055,517 |
| Illinois state replacement tax | 150,000 | 150,000 | 290,165 |
| Fire protection district fees | 1,229,050 | 1,229,050 | 1,247,390 |
| Grants | 1,292,500 | 1,292,500 | - |
| Pull tabs | 1,000 | 1,000 | - |
| Total intergovernmental | 6,441,650 | 6,441,650 | 6,593,072 |
| Licenses and permits | | | |
| Business licenses | 33,000 | 33,000 | 34,085 |
| Liquor licenses | 55,000 | 55,000 | 73,690 |
| Vending licenses | 2,500 | 2,500 | 3,220 |
| Video gaming licenses | 22,000 | 22,000 | 130,275 |
| Rental licenses | 200,000 | 200,000 | 188,088 |
| Building permits | 100,000 | 100,000 | 110,517 |
| Electrical permits | 65,000 | 65,000 | 97,206 |
| Plumbing permits | 15,000 | 15,000 | 14,536 |
| Other permits | 35,750 | 35,750 | 43,597 |
| Total licenses and permits | 528,250 | 528,250 | 695,214 |
| Fines and forfeitures | | | |
| Local ordinance fines | 153,500 | 153,500 | 148,168 |
| Court fines | 184,000 | 184,000 | 212,248 |
| Admin tow fees | 15,000 | 15,000 | 23,750 |
| Asset forfeiture | 2,000 | 2,000 | 10,994 |
| Total fines and forfeitures | 354,500 | 354,500 | 395,160 |

(This schedule is continued on the following page.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual |
|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| REVENUES (Continued) | | | |
| Charges for services | | | |
| Law enforcement | \$ 289,500 | \$ 289,500 | \$ 284,855 |
| Fire protection | 1,000 | 1,000 | 6,931 |
| Ambulance | 1,102,000 | 1,102,000 | 1,914,821 |
| Environmental surcharge | 855,500 | 855,500 | 783,956 |
| Village services | 10,000 | 10,000 | 5,786 |
| Other charges for services | 4,000 | 4,000 | 2,820 |
| Total charges for services | <u>2,262,000</u> | <u>2,262,000</u> | <u>2,999,169</u> |
| Interest | | | |
| Investment income | 35,000 | 35,000 | 20,057 |
| Miscellaneous | | | |
| Cable franchise fees | 415,000 | 415,000 | 357,883 |
| Rent | 89,500 | 89,500 | 75,847 |
| Contributions | 3,000 | 3,000 | 13,682 |
| Reimbursements | 42,000 | 42,000 | 61,597 |
| Other | 6,300 | 6,300 | 22,989 |
| Total miscellaneous | <u>555,800</u> | <u>555,800</u> | <u>531,998</u> |
| TOTAL REVENUES | <u><u>\$ 34,670,567</u></u> | <u><u>\$ 34,670,567</u></u> | <u><u>\$ 38,738,295</u></u> |

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual |
|------------------------------|-----------------------------|-----------------------------|-----------------------------|
| EXPENDITURES | | | |
| General government | | | |
| Legislative | \$ 299,853 | \$ 299,853 | \$ 240,831 |
| Administration | 299,581 | 299,581 | 168,917 |
| Information technology | 535,842 | 535,842 | 427,192 |
| Finance | 549,782 | 549,782 | 543,971 |
| General services | 4,074,514 | 4,074,514 | 3,950,670 |
| Public buildings | 630,357 | 630,357 | 541,880 |
| Total general government | <u>6,389,929</u> | <u>6,389,929</u> | <u>5,873,461</u> |
| Public safety | | | |
| Police | 11,905,901 | 11,905,901 | 11,921,221 |
| Fire and police commission | 41,490 | 41,490 | 27,992 |
| Fire | 7,792,511 | 7,792,511 | 8,008,052 |
| Total public safety | <u>19,739,902</u> | <u>19,739,902</u> | <u>19,957,265</u> |
| Public works | | | |
| Streets and highways | 2,505,125 | 2,505,125 | 2,085,986 |
| Vehicle maintenance | 747,604 | 747,604 | 747,373 |
| Total public works | <u>3,252,729</u> | <u>3,252,729</u> | <u>2,833,359</u> |
| Community development | | | |
| Community development | 1,416,552 | 1,416,552 | 1,237,493 |
| Total community development | <u>1,416,552</u> | <u>1,416,552</u> | <u>1,237,493</u> |
| Culture and recreation | | | |
| Parks | 290,650 | 290,650 | 179,240 |
| Total culture and recreation | <u>290,650</u> | <u>290,650</u> | <u>179,240</u> |
| TOTAL EXPENDITURES | <u><u>\$ 31,089,762</u></u> | <u><u>\$ 31,089,762</u></u> | <u><u>\$ 30,080,818</u></u> |

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL IMPROVEMENT PROGRAM FUND**

For the Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual |
|--|----------------------------|-------------------------|---------------------|
| REVENUES | | | |
| Intergovernmental | \$ 280,000 | \$ 280,000 | \$ 625,142 |
| Investment income (loss) | 105,000 | 105,000 | (2,313) |
| Total revenues | 385,000 | 385,000 | 622,829 |
| EXPENDITURES | | | |
| Capital outlay | 10,788,401 | 10,788,401 | 4,298,710 |
| Total expenditures | 10,788,401 | 10,788,401 | 4,298,710 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (10,403,401) | (10,403,401) | (3,675,881) |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 3,899,129 | 3,899,129 | 3,899,129 |
| Total other financing sources (uses) | 3,899,129 | 3,899,129 | 3,899,129 |
| NET CHANGE IN FUND BALANCE | \$ (6,504,272) | \$ (6,504,272) | 223,248 |
| FUND BALANCE, JANUARY 1 | | | 4,554,617 |
| FUND BALANCE, DECEMBER 31 | | | \$ 4,777,865 |

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR GOVERNMENTAL FUNDS

DEBT SERVICE FUND

The General Debt Service Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for the payment of general long-term debt principal, interest and related costs other than tax increment financing (TIF) or enterprise debt.

SPECIAL REVENUE FUNDS

Motor Fuel Tax Fund - Financing is provided by tax revenues received from the state for the sale of motor fuel. Funds are restricted for street maintenance and replacement.

SSA#1 (Newport Cove) Fund - This fund is used to account for the funds restricted for the special service area established for the purpose of maintenance and improvement of the pond and related facilities on Lot 151 of the Newport Coves Subdivision.

SSA#2 (Oak Meadows) Fund - This fund is used to account for the funds restricted for the special service area established for the purpose of maintenance and improvement of the storm water management facilities on Lot 35 of the Oak Meadows Subdivision.

SSA#3 (Keele Farms) Fund - This fund is used to account for the funds restricted for the special service area established for the purpose of maintenance and improvement of the storm water management facilities on Lot 296 and Lot 297 in the Keele Farm Subdivision, Unit 1.

SSA#21 (White Oaks) Fund - This fund is used to account for the funds restricted for the special service area established for the purpose of the maintenance, repair, replacement, alteration and improvements to the detention basin located on Lot 70 and two cul-de-sac islands located on Elm Ridge Court and Rosewood Drive within the White Oaks Subdivision.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

SPECIAL REVENUE FUNDS (Continued)

TIF #4 (Spring Hill Mall Redevelopment) Fund - This fund is used to account for the funds restricted for the redevelopment activities of the tax increment financing district established to reimburse specified costs of the developer for the Spring Hill Mall.

TIF #5 (Old Town) Fund - This fund is used to account for the funds restricted for the redevelopment activities of the tax increment financing district established to reimburse specified costs of the developer for Old Town.

Foreign Fire Tax Board Fund - Financing is provided by tax revenues received from the state restricted for use by the fire department in accordance with compiled statutes.

Strengthening Families Fund - This fund is used to account for the funds restricted for the purpose of providing social services to residents with the Strengthening Families Program. This research-based program teaches parenting skills and techniques, ways to deal with peer pressure and communication skills for both parents and their children.

Escrow Fund - This fund is used to account for the funds restricted for the purposes of developing with fees in lieu of development.

CAPITAL PROJECT FUND

Equipment Replacement Fund - This fund is used to account for taxes, transfers and advances from other funds assigned for the eventual replacement of vehicles and equipment utilized by those funds.

PERMANENT FUND

Park Trust Fund - This fund is used to account for assets held in trust, with the investment income used to support village parks.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2021

| | Debt Service | | Special Revenue | | |
|---|---------------------|---------------------|---------------------|--------------------|--------------------|
| | Debt Service | Motor Fuel Tax | SSA #1 Newport Cove | SSA #2 Oak Meadows | SSA #3 Keele Farms |
| ASSETS | | | | | |
| Cash and investments | \$ 1,808,137 | \$ 2,495,342 | \$ 17,112 | \$ 2,365 | \$ - |
| Receivables | | | | | |
| Property taxes | 2,040,114 | - | 17,992 | 1,000 | 12,000 |
| Other taxes | - | - | - | - | - |
| Accounts | - | - | - | - | - |
| Accrued interest | - | - | - | - | - |
| Prepaid items | 356 | - | - | - | - |
| Due from other governments | - | 142,391 | - | - | - |
| TOTAL ASSETS | \$ 3,848,607 | \$ 2,637,733 | \$ 35,104 | \$ 3,365 | \$ 12,000 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | | |
| LIABILITIES | | | | | |
| Accounts payable | \$ - | \$ 326,759 | \$ - | \$ - | \$ - |
| Wages payable | - | - | - | - | - |
| Deposits | - | - | - | - | - |
| Due to other governments | - | - | - | - | - |
| Due to other funds | - | - | - | - | 4,152 |
| Total liabilities | - | 326,759 | - | - | 4,152 |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Unavailable property tax revenue | 2,040,114 | - | 17,992 | 1,000 | 12,000 |
| Total deferred inflows of resources | 2,040,114 | - | 17,992 | 1,000 | 12,000 |
| Total liabilities and deferred inflows of resources | 2,040,114 | 326,759 | 17,992 | 1,000 | 16,152 |
| FUND BALANCES | | | | | |
| Nonspendable | | | | | |
| Prepaid items | 356 | - | - | - | - |
| Park trust principal | - | - | - | - | - |
| Restricted | | | | | |
| Capital projects | - | 2,310,974 | - | - | - |
| Public improvements | - | - | 17,112 | 2,365 | - |
| Police purposes | - | - | - | - | - |
| Fire purposes | - | - | - | - | - |
| Debt service | 1,808,137 | - | - | - | - |
| Assigned | | | | | |
| Capital projects | - | - | - | - | - |
| Unassigned (deficit) | - | - | - | - | (4,152) |
| Total fund balances (deficit) | 1,808,493 | 2,310,974 | 17,112 | 2,365 | (4,152) |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | \$ 3,848,607 | \$ 3,848,607 | \$ 35,104 | \$ 3,365 | \$ 12,000 |

| SSA #21 White Oaks | TIF #4 Spring Hill Mall Redevelopment | Special Revenue | | | | Capital Projects | | Permanent Park Trust | Total Nonmajor Governmental Funds |
|--------------------------|--|---------------------|---------------------------|---------------------------|-------------------|--------------------------|-------------------|----------------------------|--|
| | | TIF #5 Old Town | Foreign Fire Tax Board | Strengthening Families | Escrow | Equipment Replacement | Escrow | | |
| \$ 16,500 | \$ - | \$ 2,159,157 | \$ 73,061 | \$ 78,113 | \$ 438,093 | \$ 1,588,082 | \$ 399,319 | \$ 9,075,281 | |
| 4,496 | - | 732,531 | - | - | - | - | - | 2,808,133 | |
| - | - | - | - | - | - | 14,545 | - | 14,545 | |
| - | - | - | - | - | - | - | - | - | |
| - | - | 3,830 | - | - | - | - | - | 3,830 | |
| - | - | - | - | - | - | - | - | 356 | |
| - | - | - | - | - | - | - | - | 142,391 | |
| \$ 20,996 | \$ - | \$ 2,895,518 | \$ 73,061 | \$ 78,113 | \$ 438,093 | \$ 1,602,627 | \$ 399,319 | \$ 12,044,536 | |
| \$ - | \$ 5,881 | \$ 16,592 | \$ - | \$ - | \$ - | \$ 82,454 | \$ - | \$ 431,686 | |
| - | - | - | - | 73 | - | - | - | 73 | |
| - | - | - | - | - | 384,106 | - | - | 384,106 | |
| - | - | - | - | - | 9,934 | - | - | 9,934 | |
| - | 7,264 | - | - | - | - | - | - | 11,416 | |
| - | 13,145 | 16,592 | - | 73 | 394,040 | 82,454 | - | 837,215 | |
| 4,496 | - | 732,531 | - | - | - | - | - | 2,808,133 | |
| 4,496 | - | 732,531 | - | - | - | - | - | 2,808,133 | |
| 4,496 | 13,145 | 749,123 | - | 73 | 394,040 | 82,454 | - | 3,645,348 | |
| - | - | - | - | - | - | - | - | 356 | |
| - | - | - | - | - | - | - | 399,319 | 399,319 | |
| - | - | - | - | - | - | - | - | 2,310,974 | |
| 16,500 | - | 2,146,395 | - | - | 44,053 | - | - | 2,226,425 | |
| - | - | - | - | 78,040 | - | - | - | 78,040 | |
| - | - | - | 73,061 | - | - | - | - | 73,061 | |
| - | - | - | - | - | - | - | - | 1,808,137 | |
| - | - | - | - | - | - | 1,520,173 | - | 1,520,173 | |
| - | (13,145) | - | - | - | - | - | - | (17,297) | |
| 16,500 | (13,145) | 2,146,395 | 73,061 | 78,040 | 44,053 | 1,520,173 | 399,319 | 8,399,188 | |
| \$ 20,996 | \$ - | \$ 2,895,518 | \$ 73,061 | \$ 78,113 | \$ 438,093 | \$ 1,602,627 | \$ 399,319 | \$ 12,044,536 | |

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended December 31, 2021

| | Debt Service | | Special Revenue | | |
|--|---------------------|---------------------|---------------------|--------------------|--------------------|
| | Debt Service | Motor Fuel Tax | SSA #1 Newport Cove | SSA #2 Oak Meadows | SSA #3 Keele Farms |
| REVENUES | | | | | |
| Taxes | \$ 2,045,745 | \$ - | \$ 17,992 | \$ 1,000 | \$ 4,994 |
| Intergovernmental | - | 2,415,616 | - | - | - |
| Charges for services | 9,250 | - | - | - | - |
| Investment income | 6,427 | 876 | - | - | - |
| Miscellaneous | - | - | - | - | - |
| Total revenues | 2,061,422 | 2,416,492 | 17,992 | 1,000 | 4,994 |
| EXPENDITURES | | | | | |
| Current | | | | | |
| Public safety | - | - | - | - | - |
| Public works | - | 265,638 | 24,975 | 1,400 | 11,145 |
| Community development | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - |
| Capital outlay | - | 1,436,188 | - | - | - |
| Debt service | | | | | |
| Principal retirement | 1,856,270 | - | - | - | - |
| Interest and fiscal charges | 862,966 | - | - | - | - |
| Total expenditures | 2,719,236 | 1,701,826 | 24,975 | 1,400 | 11,145 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (657,814) | 714,666 | (6,983) | (400) | (6,151) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers in | 695,150 | - | - | - | - |
| Transfers (out) | - | (376,950) | - | - | - |
| Proceeds from sale of capital assets | - | - | - | - | - |
| Total other financing sources (uses) | 695,150 | (376,950) | - | - | - |
| NET CHANGE IN FUND BALANCES | 37,336 | 337,716 | (6,983) | (400) | (6,151) |
| FUND BALANCES (DEFICIT), JANUARY 1 | 1,771,157 | 1,973,258 | 24,095 | 2,765 | 1,999 |
| FUND BALANCES (DEFICIT), DECEMBER 31 | \$ 1,808,493 | \$ 2,310,974 | \$ 17,112 | \$ 2,365 | \$ (4,152) |

| SSA #21 White Oaks | TIF #4 Spring Hill Mall Redevelopment | Special Revenue | | | | | Capital Projects | Permanent | Total Nonmajor Governmental Funds |
|--------------------------|--|--------------------|---------------------------|---------------------------|-----------|--------------------------|---------------------|--------------|--|
| | | TIF #5 Old Town | Foreign Fire Tax Board | Strengthening Families | Escrow | Equipment Replacement | Park Trust | | |
| \$ 4,496 | \$ - | \$ 710,640 | \$ 42,341 | \$ - | \$ - | \$ 47,658 | \$ - | \$ 2,874,866 | |
| - | - | - | - | - | - | 4,394 | - | 2,420,010 | |
| - | - | - | - | - | - | - | - | 9,250 | |
| - | 1 | (2,211) | 7 | 15 | 219 | 123 | 60,578 | 66,035 | |
| - | - | - | - | 1,704 | - | - | - | 1,704 | |
| 4,496 | 1 | 708,429 | 42,348 | 1,719 | 219 | 52,175 | 60,578 | 5,371,865 | |
| - | - | - | 25,337 | 7,347 | - | - | - | 32,684 | |
| 3,460 | - | - | - | - | - | - | - | 306,618 | |
| - | 11,642 | 297,843 | - | - | - | - | - | 309,485 | |
| - | - | - | - | - | - | - | 3,506 | 3,506 | |
| - | - | 35,984 | - | - | - | 1,247,932 | - | 2,720,104 | |
| - | - | - | - | - | - | - | - | 1,856,270 | |
| - | - | - | - | - | - | - | - | 862,966 | |
| 3,460 | 11,642 | 333,827 | 25,337 | 7,347 | - | 1,247,932 | 3,506 | 6,091,633 | |
| 1,036 | (11,641) | 374,602 | 17,011 | (5,628) | 219 | (1,195,757) | 57,072 | (719,768) | |
| - | - | 10,000 | - | - | - | 1,604,161 | - | 2,309,311 | |
| - | - | - | - | - | - | - | (14,146) | (391,096) | |
| - | - | - | - | - | - | 272,213 | - | 272,213 | |
| - | - | 10,000 | - | - | - | 1,876,374 | (14,146) | 2,190,428 | |
| 1,036 | (11,641) | 384,602 | 17,011 | (5,628) | 219 | 680,617 | 42,926 | 1,470,660 | |
| 15,464 | (1,504) | 1,761,793 | 56,050 | 83,668 | 43,834 | 839,556 | 356,393 | 6,928,528 | |
| \$ 16,500 | \$ (13,145) | \$ 2,146,395 | \$ 73,061 | \$ 78,040 | \$ 44,053 | \$ 1,520,173 | \$ 399,319 | \$ 8,399,188 | |

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND**

For the Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual |
|--|----------------------------|-------------------------|---------------------|
| REVENUES | | | |
| Taxes | | | |
| Property taxes | \$ 2,026,938 | \$ 2,026,938 | \$ 2,045,745 |
| Fines and forfeitures | 21,000 | 21,000 | 9,250 |
| Investment income | 30,000 | 30,000 | 6,427 |
| Total revenues | 2,077,938 | 2,077,938 | 2,061,422 |
| EXPENDITURES | | | |
| Debt service | | | |
| Principal retirement | 1,856,170 | 1,856,170 | 1,856,270 |
| Interest and fiscal charges | 865,738 | 865,738 | 862,966 |
| Total expenditures | 2,721,908 | 2,721,908 | 2,719,236 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (643,970) | (643,970) | (657,814) |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 695,150 | 695,150 | 695,150 |
| Total other financing sources (uses) | 695,150 | 695,150 | 695,150 |
| NET CHANGE IN FUND BALANCE | \$ 51,180 | \$ 51,180 | 37,336 |
| FUND BALANCE, JANUARY 1 | | | 1,771,157 |
| FUND BALANCE, DECEMBER 31 | | | \$ 1,808,493 |

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MOTOR FUEL TAX FUND**

For the Year Ended December 31, 2021

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> |
|--|----------------------------|-------------------------|----------------------------|
| REVENUES | | | |
| Intergovernmental | | | |
| State motor fuel tax | \$ 1,515,025 | \$ 1,515,025 | \$ 1,574,440 |
| Rebuild Illinois | - | - | 841,176 |
| Investment income | 5,000 | 5,000 | 876 |
| | <hr/> | <hr/> | <hr/> |
| Total revenues | 1,520,025 | 1,520,025 | 2,416,492 |
| | <hr/> | <hr/> | <hr/> |
| EXPENDITURES | | | |
| Current | | | |
| Public works | | | |
| Commodities | 315,000 | 315,000 | 265,583 |
| Contractual services | 60 | 60 | 55 |
| Capital outlay | 1,535,000 | 1,535,000 | 1,436,188 |
| | <hr/> | <hr/> | <hr/> |
| Total expenditures | 1,850,060 | 1,850,060 | 1,701,826 |
| | <hr/> | <hr/> | <hr/> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <hr/> (330,035) | <hr/> (330,035) | <hr/> 714,666 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers (out) | <hr/> (376,950) | <hr/> (376,950) | <hr/> (376,950) |
| | <hr/> | <hr/> | <hr/> |
| Total other financing sources (uses) | (376,950) | (376,950) | (376,950) |
| | <hr/> | <hr/> | <hr/> |
| NET CHANGE IN FUND BALANCE | <u>\$ (706,985)</u> | <u>\$ (706,985)</u> | 337,716 |
| FUND BALANCE, JANUARY 1 | | | <hr/> 1,973,258 |
| FUND BALANCE, DECEMBER 31 | | | <u><u>\$ 2,310,974</u></u> |

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL SERVICE AREA NO. 1
(NEWPORT COVE) FUND**

For the Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual |
|----------------------------------|----------------------------|-------------------------|-------------------------|
| REVENUES | | | |
| Taxes | | | |
| Property taxes | \$ 18,000 | \$ 18,000 | \$ 17,992 |
| Total revenues | <u>18,000</u> | <u>18,000</u> | <u>17,992</u> |
| EXPENDITURES | | | |
| Public works | | | |
| Contractual services | 20,500 | 20,500 | 24,975 |
| Total expenditures | <u>20,500</u> | <u>20,500</u> | <u>24,975</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ (2,500)</u> | <u>\$ (2,500)</u> | (6,983) |
| FUND BALANCE, JANUARY 1 | | | <u>24,095</u> |
| FUND BALANCE, DECEMBER 31 | | | <u><u>\$ 17,112</u></u> |

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL SERVICE AREA NO. 2
(OAK MEADOWS) FUND**

For the Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual |
|----------------------------------|----------------------------|-------------------------|------------------------|
| REVENUES | | | |
| Taxes | | | |
| Property taxes | \$ 1,000 | \$ 1,000 | \$ 1,000 |
| Total revenues | <u>1,000</u> | <u>1,000</u> | <u>1,000</u> |
| EXPENDITURES | | | |
| Public works | | | |
| Contractual services | <u>2,500</u> | <u>2,500</u> | <u>1,400</u> |
| Total expenditures | <u>2,500</u> | <u>2,500</u> | <u>1,400</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ (1,500)</u> | <u>\$ (1,500)</u> | (400) |
| FUND BALANCE, JANUARY 1 | | | <u>2,765</u> |
| FUND BALANCE, DECEMBER 31 | | | <u><u>\$ 2,365</u></u> |

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL SERVICE AREA NO. 3
(KEELE FARMS) FUND**

For the Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual |
|--|----------------------------|-------------------------|-------------------|
| REVENUES | | | |
| Taxes | | | |
| Property taxes | \$ 5,000 | \$ 5,000 | \$ 4,994 |
| Total revenues | 5,000 | 5,000 | 4,994 |
| EXPENDITURES | | | |
| Public works | | | |
| Contractual services | 7,000 | 7,000 | 11,145 |
| Total expenditures | 7,000 | 7,000 | 11,145 |
| NET CHANGE IN FUND BALANCE | \$ (2,000) | \$ (2,000) | (6,151) |
| FUND BALANCE, JANUARY 1 | | | 1,999 |
| FUND BALANCE (DEFICIT), DECEMBER 31 | | | \$ (4,152) |

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL SERVICE AREA NO. 21
(WHITE OAKS) FUND

For the Year Ended December 31, 2021

| | <u>Original</u> <u>Budget</u> | <u>Final</u> <u>Budget</u> | <u>Actual</u> |
|----------------------------------|----------------------------------|-------------------------------|-------------------------|
| REVENUES | | | |
| Taxes | | | |
| Property taxes | \$ 4,500 | \$ 4,500 | \$ 4,496 |
| Total revenues | <u>4,500</u> | <u>4,500</u> | <u>4,496</u> |
| EXPENDITURES | | | |
| Public works | | | |
| Contractual services | <u>5,000</u> | <u>5,000</u> | <u>3,460</u> |
| Total expenditures | <u>5,000</u> | <u>5,000</u> | <u>3,460</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ (500)</u> | <u>\$ (500)</u> | 1,036 |
| FUND BALANCE, JANUARY 1 | | | <u>15,464</u> |
| FUND BALANCE, DECEMBER 31 | | | <u><u>\$ 16,500</u></u> |

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TIF #4 (SPRING HILL MALL REDEVELOPMENT) FUND

For the Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual |
|--|----------------------------|-------------------------|--------------------|
| REVENUES | | | |
| Taxes | | | |
| Property | \$ 1,250 | \$ 1,250 | \$ - |
| Investment income | - | - | 1 |
| | | | |
| Total revenues | 1,250 | 1,250 | 1 |
| | | | |
| EXPENDITURES | | | |
| Current | | | |
| Community development | | | |
| Contractual services | 284 | 284 | 11,642 |
| | | | |
| Total expenditures | 284 | 284 | 11,642 |
| | | | |
| NET CHANGE IN FUND BALANCE | \$ 966 | \$ 966 | (11,641) |
| FUND BALANCE (DEFICIT), JANUARY 1 | | | (1,504) |
| FUND BALANCE (DEFICIT), DECEMBER 31 | | | \$ (13,145) |

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TIF #5 (OLD TOWN) FUND**

For the Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual |
|--|----------------------------|-------------------------|---------------------|
| REVENUES | | | |
| Taxes | | | |
| Property taxes | \$ 600,000 | \$ 600,000 | \$ 710,640 |
| Investment income | 21,000 | 21,000 | (2,211) |
| | <hr/> | <hr/> | <hr/> |
| Total revenues | 621,000 | 621,000 | 708,429 |
| | <hr/> | <hr/> | <hr/> |
| EXPENDITURES | | | |
| Current | | | |
| Community development | | | |
| Contractual services | 637,698 | 637,698 | 297,843 |
| Capital outlay | 1,961,356 | 1,961,356 | 35,984 |
| | <hr/> | <hr/> | <hr/> |
| Total expenditures | 2,599,054 | 2,599,054 | 333,827 |
| | <hr/> | <hr/> | <hr/> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (1,978,054) | (1,978,054) | 374,602 |
| | <hr/> | <hr/> | <hr/> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 10,000 | 10,000 | 10,000 |
| | <hr/> | <hr/> | <hr/> |
| Total other financing sources (uses) | 10,000 | 10,000 | 10,000 |
| | <hr/> | <hr/> | <hr/> |
| NET CHANGE IN FUND BALANCE | \$ (1,968,054) | \$ (1,968,054) | 384,602 |
| | <hr/> | <hr/> | <hr/> |
| FUND BALANCE, JANUARY 1 | | | 1,761,793 |
| | | | <hr/> |
| FUND BALANCE, DECEMBER 31 | | | \$ 2,146,395 |
| | | | <hr/> |

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOREIGN FIRE TAX BOARD FUND**

For the Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual |
|----------------------------------|----------------------------|-------------------------|------------------------------|
| REVENUES | | | |
| Taxes | | | |
| Foreign fire | \$ 36,000 | \$ 36,000 | \$ 42,341 |
| Investment income | 10 | 10 | 7 |
| | <hr/> | <hr/> | <hr/> |
| Total revenues | 36,010 | 36,010 | 42,348 |
| | <hr/> | <hr/> | <hr/> |
| EXPENDITURES | | | |
| Public safety | | | |
| Commodities | 21,500 | 21,500 | 21,573 |
| Contractual services | 7,800 | 7,800 | 3,764 |
| | <hr/> | <hr/> | <hr/> |
| Total expenditures | 29,300 | 29,300 | 25,337 |
| | <hr/> | <hr/> | <hr/> |
| NET CHANGE IN FUND BALANCE | <u>\$ 6,710</u> | <u>\$ 6,710</u> | 17,011 |
| FUND BALANCE, JANUARY 1 | | | <hr/> 56,050 |
| FUND BALANCE, DECEMBER 31 | | | <hr/> \$ 73,061 <hr/> |

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STRENGTHENING FAMILIES FUND**

For the Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual |
|----------------------------------|----------------------------|-------------------------|-------------------------|
| REVENUES | | | |
| Investment income | \$ 50 | \$ 50 | \$ 15 |
| Miscellaneous Contributions | - | - | 1,704 |
| Total revenues | 50 | 50 | 1,719 |
| EXPENDITURES | | | |
| Public safety | | | |
| Personnel services | 5,172 | 5,172 | 3,472 |
| Contractual services | 60 | 60 | 78 |
| Commodities | 5,700 | 5,700 | 3,797 |
| Total expenditures | 10,932 | 10,932 | 7,347 |
| NET CHANGE IN FUND BALANCE | <u>\$ (10,882)</u> | <u>\$ (10,882)</u> | (5,628) |
| FUND BALANCE, JANUARY 1 | | | <u>83,668</u> |
| FUND BALANCE, DECEMBER 31 | | | <u><u>\$ 78,040</u></u> |

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ESCROW FUND**

For the Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual |
|----------------------------------|----------------------------|-------------------------|-------------------------|
| REVENUES | | | |
| Investment income | \$ 2,000 | \$ 2,000 | \$ 219 |
| Total revenues | <u>2,000</u> | <u>2,000</u> | <u>219</u> |
| EXPENDITURES | | | |
| None | - | - | - |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ 2,000</u> | <u>\$ 2,000</u> | 219 |
| FUND BALANCE, JANUARY 1 | | | <u>43,834</u> |
| FUND BALANCE, DECEMBER 31 | | | <u><u>\$ 44,053</u></u> |

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
EQUIPMENT REPLACEMENT FUND**

For the Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual |
|--|----------------------------|-------------------------|---------------|
| REVENUES | | | |
| Taxes | | | |
| Telecom | \$ 80,000 | \$ 80,000 | \$ 47,658 |
| Intergovernmental | 2,500 | 2,500 | 4,394 |
| Investment income | 3,600 | 3,600 | 123 |
| | <hr/> | <hr/> | <hr/> |
| Total revenues | 86,100 | 86,100 | 52,175 |
| | <hr/> | <hr/> | <hr/> |
| EXPENDITURES | | | |
| Capital outlay | 1,565,937 | 1,565,937 | 1,247,932 |
| | <hr/> | <hr/> | <hr/> |
| Total expenditures | 1,565,937 | 1,565,937 | 1,247,932 |
| | <hr/> | <hr/> | <hr/> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (1,479,837) | (1,479,837) | (1,195,757) |
| | <hr/> | <hr/> | <hr/> |
| OTHER FINANCING SOURCES (USES) | | | |
| Proceeds from sale of capital assets | 15,000 | 15,000 | 272,213 |
| Transfers in | 1,604,161 | 1,604,161 | 1,604,161 |
| | <hr/> | <hr/> | <hr/> |
| Total other financing sources (uses) | 1,619,161 | 1,619,161 | 1,876,374 |
| | <hr/> | <hr/> | <hr/> |
| NET CHANGE IN FUND BALANCE | \$ 139,324 | \$ 139,324 | 680,617 |
| | <hr/> | <hr/> | <hr/> |
| FUND BALANCE, JANUARY 1 | | | 839,556 |
| | | | <hr/> |
| FUND BALANCE, DECEMBER 31 | | | \$ 1,520,173 |
| | | | <hr/> |

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PARK TRUST FUND**

For the Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual |
|--|----------------------------|-------------------------|---------------|
| REVENUES | | | |
| Investment income | \$ 18,500 | \$ 18,500 | \$ 60,578 |
| Miscellaneous | 13,500 | 13,500 | - |
| Total revenues | 32,000 | 32,000 | 60,578 |
| EXPENDITURES | | | |
| Culture and recreation | | | |
| Contractual services | 3,000 | 3,000 | 3,506 |
| Total expenditures | 3,000 | 3,000 | 3,506 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 29,000 | 29,000 | 57,072 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers (out) | (14,000) | (14,000) | (14,146) |
| Total other financing sources (uses) | (14,000) | (14,000) | (14,146) |
| NET CHANGE IN FUND BALANCE | \$ 15,000 | \$ 15,000 | 42,926 |
| FUND BALANCE, JANUARY 1 | | | 356,393 |
| FUND BALANCE, DECEMBER 31 | | | \$ 399,319 |

(See independent auditor's report.)

PROPRIETARY FUNDS

MAJOR ENTERPRISE FUND

Waterworks and Sewerage Fund - to account for revenues and expenses relative to the operation of the water and sewer utilities.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
WATERWORKS AND SEWERAGE FUND**

For the Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual |
|--|----------------------------|-------------------------|----------------------|
| OPERATING REVENUES | | | |
| Charges for services | | | |
| Water | \$ 4,332,000 | \$ 4,332,000 | \$ 4,421,606 |
| Sewer | 4,050,000 | 4,050,000 | 4,148,821 |
| Service fees and penalties | 262,500 | 262,500 | 282,035 |
| Miscellaneous | | | |
| Rental income | 86,703 | 86,703 | 93,659 |
| | <hr/> | <hr/> | <hr/> |
| Total operating revenues | 8,731,203 | 8,731,203 | 8,946,121 |
| OPERATING EXPENSES | | | |
| Administration | 591,020 | 591,020 | 411,830 |
| Operations | 8,511,711 | 8,511,711 | 5,625,635 |
| | <hr/> | <hr/> | <hr/> |
| Total operating expenses | 9,102,731 | 9,102,731 | 6,037,465 |
| | <hr/> | <hr/> | <hr/> |
| OPERATING INCOME (LOSS) | (371,528) | (371,528) | 2,908,656 |
| NON-OPERATING REVENUES (EXPENSES) | | | |
| Principal payments | (1,628,764) | (1,628,764) | (1,646,214) |
| Investment income | 45,000 | 45,000 | 731 |
| Interest and fiscal charges | (322,619) | (322,619) | (144,970) |
| | <hr/> | <hr/> | <hr/> |
| Total non-operating revenues (expenses) | (1,906,383) | (1,906,383) | (1,790,453) |
| | <hr/> | <hr/> | <hr/> |
| INCOME (LOSS) BEFORE TRANSFERS | (2,277,911) | (2,277,911) | 1,118,203 |
| TRANSFERS | | | |
| Transfers (out) | (307,161) | (307,161) | (307,161) |
| | <hr/> | <hr/> | <hr/> |
| Total transfers | (307,161) | (307,161) | (307,161) |
| | <hr/> | <hr/> | <hr/> |
| CHANGE IN NET POSITION - BUDGET BASIS | <u>\$ (2,585,072)</u> | <u>\$ (2,585,072)</u> | 811,042 |
| Principal paid | | | 1,646,214 |
| Depreciation | | | (2,449,742) |
| Amortization | | | (15,320) |
| Capital outlay capitalized | | | 697,816 |
| | | | <hr/> |
| CHANGE IN NET POSITION - GAAP BASIS | | | 690,010 |
| NET POSITION, JANUARY 1 | | | <hr/> |
| | | | 44,001,135 |
| NET POSITION, DECEMBER 31 | | | <hr/> |
| | | | <u>\$ 44,691,145</u> |

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL - BUDGETARY BASIS
WATERWORKS AND SEWERAGE FUND**

For the Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual |
|-----------------------------------|----------------------------|-------------------------|------------------|
| WATER DEPARTMENT | | | |
| Water facilities | | | |
| Personnel services | | | |
| Employee salaries | \$ 648,374 | \$ 648,374 | \$ 543,752 |
| Employee overtime | 26,400 | 26,400 | 23,426 |
| FICA/Medicare/IMRF | 126,427 | 126,427 | 118,626 |
| Health insurance | 129,136 | 129,136 | 129,136 |
| Compensated absences | - | - | 3,243 |
| Longevity | 3,229 | 3,229 | 3,373 |
| Sick leave incentive | 5,018 | 5,018 | 2,483 |
| Total personnel services | 938,584 | 938,584 | 824,039 |
| Commodities | | | |
| Building | 6,000 | 6,000 | 5,411 |
| Maintenance materials | 5,500 | 5,500 | 5,492 |
| Tools and equipment | 6,000 | 6,000 | 5,981 |
| Office | 750 | 750 | 1,043 |
| Operating | 36,000 | 36,000 | 27,780 |
| Meters | 11,000 | 11,000 | 2,384 |
| Chemicals | 36,500 | 36,500 | 42,747 |
| Vehicles | - | - | - |
| Total commodities | 101,750 | 101,750 | 90,838 |
| Contractual services | | | |
| Dues and publications | 1,100 | 1,100 | 1,931 |
| Physical exams | 200 | 200 | - |
| Safety development | 30,000 | 30,000 | 13,182 |
| Training and meeting | 5,000 | 5,000 | 2,194 |
| Building grounds | 12,000 | 12,000 | 4,760 |
| Professional services | 139,000 | 139,000 | 92,091 |
| Maintenance equipment | 65,000 | 65,000 | 24,493 |
| Electric | 220,000 | 220,000 | 201,707 |
| Heating | 11,500 | 11,500 | 17,524 |
| Telephone data | 3,900 | 3,900 | 1,616 |
| Water softener salt | 290,000 | 290,000 | 295,946 |
| Water facilities analysis | 6,000 | 6,000 | 5,628 |
| Water well | 80,000 | 80,000 | 122,454 |
| Water alarm | 670 | 670 | 192 |
| Rentals | 5,000 | 5,000 | 3,794 |
| Total contractual services | 869,370 | 869,370 | 787,512 |
| Capital outlay | 1,581,308 | 1,581,308 | 259,768 |
| Total water facilities | 3,491,012 | 3,491,012 | 1,962,157 |

(This schedule is continued on the following pages.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
WATERWORKS AND SEWERAGE FUND

For the Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual |
|--|----------------------------|-------------------------|---------------|
| WATER DEPARTMENT (Continued) | | | |
| Water administrative and general | | | |
| Personnel services | | | |
| Employee salaries | \$ 155,130 | \$ 155,130 | \$ 153,589 |
| FICA/Medicare/IMRF | 28,051 | 28,051 | 14,894 |
| Health insurance | 27,960 | 27,960 | 27,960 |
| Longevity | 574 | 574 | 580 |
| Sick leave incentive | 1,175 | 1,175 | 650 |
| Total OPEB liability adjustment | - | - | (176,675) |
| Total personnel services | 212,890 | 212,890 | 20,998 |
| Administrative and general overhead | 378,130 | 378,130 | 390,832 |
| Total water administrative and general | 591,020 | 591,020 | 411,830 |
| Total water department | 4,082,032 | 4,082,032 | 2,373,987 |
| SEWER DEPARTMENT | | | |
| Sewer facilities | | | |
| Personnel services | | | |
| Employee salaries | 803,312 | 803,312 | 755,145 |
| Employee overtime | 40,000 | 40,000 | 29,857 |
| FICA/Medicare/IMRF | 158,156 | 158,156 | 80,086 |
| Health insurance | 132,345 | 132,345 | 132,345 |
| Compensated absences | - | - | (2,780) |
| Longevity | 4,509 | 4,509 | 4,771 |
| Attendance incentive | 6,618 | 6,618 | 4,591 |
| Total personnel services | 1,144,940 | 1,144,940 | 1,004,015 |
| Commodities | | | |
| Building | 6,400 | 6,400 | 2,164 |
| Maintenance materials | 35,000 | 35,000 | 25,451 |
| Lift station | 26,000 | 26,000 | 19,675 |
| Automotive | 200 | 200 | 669 |
| Tools and equipment | 20,000 | 20,000 | 27,271 |
| Office | 1,000 | 1,000 | 2,229 |
| Operating | 12,000 | 12,000 | 11,423 |
| COVID-19 | - | - | 121 |
| Chemicals | 87,000 | 87,000 | 88,764 |
| Total commodities | 187,600 | 187,600 | 177,767 |

(This schedule is continued on the following pages.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
 WATERWORKS AND SEWERAGE FUND

For the Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual |
|-------------------------------------|--------------------|-----------------|-----------|
| SEWER DEPARTMENT (Continued) | | | |
| Sewer facilities (Continued) | | | |
| Contractual services | | | |
| Dues and publications | \$ 5,400 | \$ 5,400 | \$ 4,814 |
| Physical exams | 250 | 250 | 424 |
| Printing | 1,000 | 1,000 | 368 |
| Safety development | 30,000 | 30,000 | 12,490 |
| Training and meeting | 4,500 | 4,500 | 1,329 |
| Building grounds | 18,000 | 18,000 | 22,372 |
| Professional services sewer | 90,000 | 90,000 | 72,199 |
| Maintenance equipment | 175,000 | 175,000 | 240,015 |
| Electricity | 265,000 | 265,000 | 261,916 |
| Heating | 8,500 | 8,500 | 9,868 |
| Telephone data | 2,700 | 2,700 | 966 |
| Sludge disposal | 90,000 | 90,000 | 90,655 |
| Testing | 11,500 | 11,500 | 9,165 |
| Total contractual services | 701,850 | 701,850 | 726,581 |
| Capital outlay | 68,500 | 68,500 | 30,980 |
| Total sewer facilities | 2,102,890 | 2,102,890 | 1,939,343 |
| Sewer underground | | | |
| Personnel services | | | |
| Employee salaries | 702,268 | 702,268 | 566,273 |
| Employee overtime | 32,000 | 32,000 | 15,206 |
| FICA/Medicare/IMRF | 135,604 | 135,604 | 59,220 |
| Health insurance | 82,494 | 82,494 | 82,244 |
| Compensated absences | - | - | (5,470) |
| Longevity | 2,298 | 2,298 | 2,338 |
| Sick leave incentive | 6,592 | 6,592 | 2,800 |
| Total personnel services | 961,256 | 961,256 | 722,611 |
| Commodities | | | |
| Street | 35,000 | 35,000 | 36,545 |
| Maintenance materials | 35,000 | 35,000 | 37,625 |
| Sanitary sewer | 29,000 | 29,000 | 28,520 |
| Tools and equipment | 9,000 | 9,000 | 10,939 |
| Office | 300 | 300 | 126 |
| Operating | 9,000 | 9,000 | 9,288 |
| Valves and pipes | 105,000 | 105,000 | 111,082 |
| Total commodities | 222,300 | 222,300 | 234,125 |

(This schedule is continued on the following page.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
WATERWORKS AND SEWERAGE FUND

For the Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual |
|--|----------------------------|----------------------------|----------------------------|
| SEWER DEPARTMENT (Continued) | | | |
| Sewer underground (Continued) | | | |
| Contractual services | | | |
| Dues and publications | \$ 600 | \$ 600 | \$ 758 |
| Physical exams | 1,500 | 1,500 | 1,177 |
| Printing | 1,200 | 1,200 | 1,034 |
| Training and meeting | 5,000 | 5,000 | 5,104 |
| Other service | 45,000 | 45,000 | 19,272 |
| Maintenance equipment | 122,500 | 122,500 | 122,863 |
| Maintenance building and grounds | 1,000 | 1,000 | 1,330 |
| Telephone data | 2,000 | 2,000 | 1,018 |
| Total contractual services | <u>178,800</u> | <u>178,800</u> | <u>152,556</u> |
| Capital outlay | <u>1,555,453</u> | <u>1,555,453</u> | <u>614,843</u> |
| Total sewer underground | <u>2,917,809</u> | <u>2,917,809</u> | <u>1,724,135</u> |
| Total sewer department | <u>5,020,699</u> | <u>5,020,699</u> | <u>3,663,478</u> |
| TOTAL OPERATING EXPENSES, EXCLUDING AMORTIZATION AND DEPRECIATION | <u><u>\$ 9,102,731</u></u> | <u><u>\$ 9,102,731</u></u> | <u><u>\$ 6,037,465</u></u> |

(See independent auditor's report.)

INTERNAL SERVICE FUND

Insurance Fund - to account for all costs associated with the Village's insurance and self-insurance risks.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
INSURANCE FUND**

For the Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual |
|--------------------------------------|----------------------------|-------------------------|-------------------------|
| OPERATING REVENUES | | | |
| Charges for services | | | |
| Employer contributions | \$ 3,488,750 | \$ 3,488,750 | \$ 3,268,984 |
| Employee contributions | 385,000 | 385,000 | 370,249 |
| Non-employee insurance contributions | 294,000 | 294,000 | 327,899 |
| | <hr/> | <hr/> | <hr/> |
| Total operating revenues | 4,167,750 | 4,167,750 | 3,967,132 |
| | <hr/> | <hr/> | <hr/> |
| OPERATING EXPENSES | | | |
| Operations | | | |
| Health insurance | 3,605,085 | 3,605,085 | 3,164,242 |
| Risk management | 1,295,709 | 1,295,709 | 898,467 |
| | <hr/> | <hr/> | <hr/> |
| Total operating expenses | 4,900,794 | 4,900,794 | 4,062,709 |
| | <hr/> | <hr/> | <hr/> |
| CHANGE IN NET POSITION | <u>\$ (733,044)</u> | <u>\$ (733,044)</u> | (95,577) |
| NET POSITION, JANUARY 1 | | | <hr/> 669,457 |
| NET POSITION, DECEMBER 31 | | | <hr/> <u>\$ 573,880</u> |

(See independent auditor's report.)

FIDUCIARY FUNDS

PENSION TRUST FUNDS

Police Pension Fund - to account for the accumulation of resources to pay pension costs. Resources are contributed by sworn police personnel at rates fixed by state statutes and by the Village based upon an annual actuarial valuation.

Firefighters' Pension Fund - to account for the accumulation of resources to pay pension costs. Resources are contributed by sworn fire personnel at rates fixed by state statutes and by the Village based upon an annual actuarial valuation.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**COMBINING STATEMENT OF PLAN NET POSITION
PENSION TRUST FUNDS**

December 31, 2021

| | Pension Trust | | |
|---|---------------------------|----------------------------------|---------------|
| | Police Pension | Firefighters' Pension | Total |
| ASSETS | | | |
| Cash and cash equivalents | \$ 19,084 | \$ 6,325 | \$ 25,409 |
| Investments, at fair value | | | |
| Money market mutual funds | 1,739,028 | 869,992 | 2,609,020 |
| U.S. Treasury obligations | 14,296,510 | 1,151,270 | 15,447,780 |
| U.S. agency obligations | 586,526 | 8,242,214 | 8,828,740 |
| Municipal bonds | 152,158 | 1,661,546 | 1,813,704 |
| Equities | 28,709,787 | - | 28,709,787 |
| Corporate bonds | 5,242,862 | 2,314,021 | 7,556,883 |
| Equity mutual funds | 13,919,450 | 19,331,969 | 33,251,419 |
| Negotiable CDs | - | 440,511 | 440,511 |
| Receivables | | | |
| Accrued interest | 100,537 | 67,860 | 168,397 |
| Prepaid expenses | 795 | 6,205 | 7,000 |
| Due from other funds | 19,978 | 9,508 | 29,486 |
| | | | |
| Total assets | 64,786,715 | 34,101,421 | 98,888,136 |
| LIABILITIES | | | |
| Accounts payable | 7,106 | 5,818 | 12,924 |
| | | | |
| Total liabilities | 7,106 | 5,818 | 12,924 |
| NET POSITION RESTRICTED FOR PENSION BENEFITS | | | |
| | \$ 64,779,609 | \$ 34,095,603 | \$ 98,875,212 |

(See independent auditor's report.)

VILLAGE OF CARPENTERSVILLE, ILLINOIS

**COMBINING STATEMENT OF CHANGES IN PLAN NET POSITION
PENSION TRUST FUNDS**

For the Year Ended December 31, 2021

| | Pension Trust | | Total |
|---|---------------------------|----------------------------------|----------------------|
| | Police Pension | Firefighters' Pension | |
| ADDITIONS | | | |
| Contributions | | | |
| Employer contributions | \$ 2,600,398 | \$ 1,467,387 | \$ 4,067,785 |
| Employee contributions | 659,960 | 330,544 | 990,504 |
| Total contributions | <u>3,260,358</u> | <u>1,797,931</u> | <u>5,058,289</u> |
| Investment income | | | |
| Net appreciation in fair value of investments | 8,264,065 | 1,852,360 | 10,116,425 |
| Interest | 1,181,130 | 1,442,655 | 2,623,785 |
| Total investment income | 9,445,195 | 3,295,015 | 12,740,210 |
| Less investment expense | (230,884) | (99,423) | (330,307) |
| Net investment income | <u>9,214,311</u> | <u>3,195,592</u> | <u>12,409,903</u> |
| Total additions | <u>12,474,669</u> | <u>4,993,523</u> | <u>17,468,192</u> |
| DEDUCTIONS | | | |
| Administration | 56,703 | 47,881 | 104,584 |
| Pension benefits and refunds | 4,119,616 | 1,474,306 | 5,593,922 |
| Total deductions | <u>4,176,319</u> | <u>1,522,187</u> | <u>5,698,506</u> |
| NET INCREASE | 8,298,350 | 3,471,336 | 11,769,686 |
| NET POSITION RESTRICTED FOR PENSION BENEFITS | | | |
| January 1 | <u>56,481,259</u> | <u>30,624,267</u> | <u>87,105,526</u> |
| December 31 | <u>\$ 64,779,609</u> | <u>\$ 34,095,603</u> | <u>\$ 98,875,212</u> |

(See independent auditor's report.)

STATISTICAL SECTION

This part of the Village of Carpentersville, Illinois' annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the Village's overall financial health.

| <u>Contents</u> | <u>Page(s)</u> |
|---|----------------|
| Financial Trends These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time. | 117-126 |
| Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue source, the property tax. | 127-132 |
| Debt Capacity These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future. | 133-136 |
| Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place. | 137-138 |
| Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs. | 139-141 |

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

| | 2013 | 2014 | 2015 | 2015**/** |
|---------------------------------------|-----------------------|-----------------------|-----------------------|----------------------|
| GOVERNMENTAL ACTIVITIES | | | | |
| Net investment in capital assets | \$ 67,264,235 | \$ 71,003,712 | \$ 74,204,672 | \$ 75,256,131 |
| Restricted | 3,862,323 | 4,363,328 | 4,925,886 | 5,137,307 |
| Unrestricted (deficit) | 1,528,171 | 1,645,509 | 219,766 | (34,740,782) |
| TOTAL GOVERNMENTAL ACTIVITIES | \$ 72,654,729 | \$ 77,012,549 | \$ 79,350,324 | \$ 45,652,656 |
| BUSINESS-TYPE ACTIVITIES | | | | |
| Net investment in capital assets | \$ 32,738,403 | \$ 33,383,375 | \$ 34,242,241 | \$ 34,640,323 |
| Restricted | - | - | - | - |
| Unrestricted | 5,390,950 | 5,126,975 | 5,778,715 | 5,857,453 |
| TOTAL BUSINESS-TYPE ACTIVITIES | \$ 38,129,353 | \$ 38,510,350 | \$ 40,020,956 | \$ 40,497,776 |
| PRIMARY GOVERNMENT | | | | |
| Net investment in capital assets | \$ 100,002,638 | \$ 104,387,087 | \$ 108,446,913 | \$ 109,896,454 |
| Restricted | 3,862,323 | 4,363,328 | 4,925,886 | 5,137,307 |
| Unrestricted (deficit) | 6,919,121 | 6,772,484 | 5,998,481 | (28,883,329) |
| TOTAL PRIMARY GOVERNMENT | \$ 110,784,082 | \$ 115,522,899 | \$ 119,371,280 | \$ 86,150,432 |

*The Village changed its fiscal year end from April 30 to December 31 effective December 31, 2015.

**The Village implemented GASB Statement No. 68 during the eight months ended December 31, 2015.

Data Source

Audited Financial Statements

| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|----------------------|----------------------|----------------------|----------------------|-----------------------|-----------------------|
| \$ 77,315,341 | \$ 78,656,860 | \$ 79,537,829 | \$ 81,259,672 | \$ 91,880,072 | \$ 92,473,845 |
| 5,791,953 | 5,187,438 | 4,603,456 | 5,704,482 | 6,246,116 | 7,038,163 |
| (40,198,459) | (38,725,948) | (38,313,994) | (33,736,773) | (27,767,595) | (18,201,852) |
| <u>\$ 42,908,835</u> | <u>\$ 45,118,350</u> | <u>\$ 45,827,291</u> | <u>\$ 53,227,381</u> | <u>\$ 70,358,593</u> | <u>\$ 81,310,156</u> |
| \$ 34,826,165 | \$ 34,305,976 | \$ 33,628,101 | \$ 34,368,493 | \$ 34,783,848 | \$ 34,779,731 |
| - | - | - | - | - | - |
| 7,156,460 | 8,568,243 | 9,397,368 | 8,214,924 | 9,217,287 | 9,911,414 |
| <u>\$ 41,982,625</u> | <u>\$ 42,874,219</u> | <u>\$ 43,025,469</u> | <u>\$ 42,583,417</u> | <u>\$ 44,001,135</u> | <u>\$ 44,691,145</u> |
| \$ 112,141,506 | \$ 112,962,836 | \$ 113,165,930 | \$ 115,628,165 | \$ 126,663,920 | \$ 127,253,576 |
| 5,791,953 | 5,187,438 | 4,603,456 | 5,704,482 | 6,246,116 | 7,038,163 |
| (33,041,999) | (30,157,705) | (28,916,626) | (25,521,849) | (18,550,308) | (8,290,438) |
| <u>\$ 84,891,460</u> | <u>\$ 87,992,569</u> | <u>\$ 88,852,760</u> | <u>\$ 95,810,798</u> | <u>\$ 114,359,728</u> | <u>\$ 126,001,301</u> |

VILLAGE OF CARPENTERSVILLE, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

| | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2015*</u> |
|---|------------------------|------------------------|------------------------|------------------------|
| EXPENSES | | | | |
| Governmental Activities | | | | |
| General government | \$ 2,281,909 | \$ 3,463,699 | \$ 3,068,941 | \$ 4,434,143 |
| Public safety | 17,077,983 | 16,729,905 | 17,426,252 | 14,410,997 |
| Highways and streets | 8,215,225 | 8,603,291 | 8,884,557 | 5,863,027 |
| Community development | 1,818,908 | 1,294,810 | 1,376,258 | 881,623 |
| Culture and recreation | 136,440 | 193,463 | 184,862 | 251,617 |
| Interest and fiscal charges | 1,460,952 | 1,385,304 | 1,426,663 | 1,017,569 |
| Total governmental activities expenses | <u>30,991,417</u> | <u>31,670,472</u> | <u>32,367,533</u> | <u>26,858,976</u> |
| Business-Type Activities | | | | |
| Water and sewer | 8,310,778 | 7,962,573 | 7,872,584 | 5,520,811 |
| Total business-type activities expenses | <u>8,310,778</u> | <u>7,962,573</u> | <u>7,872,584</u> | <u>5,520,811</u> |
| TOTAL PRIMARY GOVERNMENT EXPENSES | <u>\$ 39,302,195</u> | <u>\$ 39,633,045</u> | <u>\$ 40,240,117</u> | <u>\$ 32,379,787</u> |
| PROGRAM REVENUES | | | | |
| Governmental Activities | | | | |
| Charges for services | | | | |
| General government | \$ 697,551 | \$ 1,303,596 | \$ 852,819 | \$ 640,512 |
| Public safety | 2,299,566 | 1,363,971 | 1,409,904 | 1,104,987 |
| Highways and streets | 1,256,200 | 764,335 | 749,638 | 491,853 |
| Community development | 362,249 | 19,450 | 7,360 | 1,190 |
| Operating grants and contributions | 584,260 | 2,368,312 | 2,418,801 | 1,812,675 |
| Capital grants and contributions | 1,786,938 | 2,335,740 | 3,202,586 | 1,018,727 |
| Total governmental activities program revenues | <u>6,986,764</u> | <u>8,155,404</u> | <u>8,641,108</u> | <u>5,069,944</u> |
| Business-Type Activities | | | | |
| Charges for services | | | | |
| Water and sewer | 7,776,607 | 8,184,588 | 8,419,290 | 6,132,405 |
| Operating grants and contributions | - | 6,072 | - | - |
| Capital grants and contributions | 266,496 | 1,255,682 | 968,186 | - |
| Total business-type activities program revenues | <u>8,043,103</u> | <u>9,446,342</u> | <u>9,387,476</u> | <u>6,132,405</u> |
| TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES | <u>\$ 15,029,867</u> | <u>\$ 17,601,746</u> | <u>\$ 18,028,584</u> | <u>\$ 11,202,349</u> |
| NET REVENUES (EXPENSES) | | | | |
| Governmental activities | \$ (24,004,653) | \$ (23,515,068) | \$ (23,726,425) | \$ (21,789,032) |
| Business-type activities | (267,675) | 1,483,769 | 1,514,892 | 611,594 |
| TOTAL PRIMARY GOVERNMENT NET REVENUES (EXPENSES) | <u>\$ (24,272,328)</u> | <u>\$ (22,031,299)</u> | <u>\$ (22,211,533)</u> | <u>\$ (21,177,438)</u> |

| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| \$ 5,842,206 | \$ 5,716,921 | \$ 5,797,126 | \$ 6,408,661 | \$ 5,509,036 | \$ 5,876,817 |
| 21,024,906 | 19,017,381 | 19,091,750 | 18,872,493 | 15,800,960 | 15,939,629 |
| 5,461,639 | 7,834,909 | 6,016,386 | 6,331,107 | 6,036,163 | 11,389,641 |
| 6,734,523 | 3,079,480 | 2,362,334 | 1,421,358 | 1,471,839 | 1,551,397 |
| 208,151 | 211,155 | 344,341 | 387,867 | 313,758 | 281,244 |
| 1,479,485 | 1,384,460 | 1,363,879 | 1,307,506 | 1,339,983 | 651,509 |
| 40,750,910 | 37,244,306 | 34,975,816 | 34,728,992 | 30,471,739 | 35,690,237 |
| 7,862,533 | 8,271,157 | 8,471,699 | 7,999,648 | 7,559,814 | 7,949,681 |
| 7,862,533 | 8,271,157 | 8,471,699 | 7,999,648 | 7,559,814 | 7,949,681 |
| \$ 48,613,443 | \$ 45,515,463 | \$ 43,447,515 | \$ 42,728,640 | \$ 38,031,553 | \$ 43,639,918 |
| \$ 631,980 | \$ 687,453 | \$ 854,776 | \$ 771,160 | \$ 704,485 | \$ 1,063,000 |
| 1,682,400 | 1,728,952 | 1,666,247 | 1,547,282 | 1,896,951 | 2,641,302 |
| 754,965 | 786,393 | 795,002 | 810,681 | 807,423 | 772,657 |
| 2,348 | 2,500 | 2,930 | 5,237 | 2,150 | 6,600 |
| 2,314,793 | 2,478,172 | 2,313,423 | 2,688,759 | 5,180,649 | 2,826,225 |
| 2,197,856 | 1,446,530 | 281,519 | 1,138,562 | 5,275,608 | 1,418,437 |
| 7,584,342 | 7,130,000 | 5,913,897 | 6,961,681 | 13,867,266 | 8,728,221 |
| 8,565,644 | 8,578,759 | 8,607,997 | 8,638,062 | 8,863,120 | 8,852,462 |
| - | - | - | - | - | - |
| 691,246 | - | - | - | - | - |
| 9,256,890 | 8,578,759 | 8,607,997 | 8,638,062 | 8,863,120 | 8,852,462 |
| \$ 16,841,232 | \$ 15,708,759 | \$ 14,521,894 | \$ 15,599,743 | \$ 22,730,386 | \$ 17,580,683 |
| \$ (33,166,568) | \$ (30,114,306) | \$ (29,061,919) | \$ (27,767,311) | \$ (16,604,473) | \$ (26,962,016) |
| 1,394,357 | 307,602 | 136,298 | 638,414 | 1,303,306 | 902,781 |
| \$ (31,772,211) | \$ (29,806,704) | \$ (28,925,621) | \$ (27,128,897) | \$ (15,301,167) | \$ (26,059,235) |

VILLAGE OF CARPENTERSVILLE, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

| | 2013 | 2014 | 2015 | 2015* |
|---------------------------------------|----------------------|----------------------|----------------------|----------------------|
| GENERAL REVENUES AND OTHER | | | | |
| CHANGES IN NET POSITION | | | | |
| Governmental Activities | | | | |
| Taxes | | | | |
| Property | \$ 11,540,085 | \$ 12,153,210 | \$ 12,712,189 | \$ 13,319,443 |
| Sales and use | 6,587,215 | 6,555,619 | 7,791,885 | 5,842,939 |
| Utility | 1,466,585 | 1,620,073 | 1,562,992 | 815,235 |
| Local motor fuel | - | 266,189 | 262,310 | 278,952 |
| Other | 402,736 | 840,258 | 818,428 | 533,952 |
| Intergovernmental | 3,396,732 | 3,843,504 | 3,857,758 | 2,717,696 |
| Investment earnings | 44,093 | 46,941 | (190,127) | (177) |
| Miscellaneous | 549,688 | 529,558 | 520,791 | 387,797 |
| Contributions | - | - | - | - |
| Gain (loss) of sale of capital assets | - | 24,946 | 22,032 | 9,640 |
| Transfers | 100,000 | 1,159,903 | - | (635,792) |
| Total governmental activities | 24,087,134 | 27,040,201 | 27,358,258 | 23,269,685 |
| Business-Type Activities | | | | |
| Investment earnings | 14,177 | 12,488 | (79,508) | 8,131 |
| Miscellaneous | 6,129 | 274,609 | 75,222 | 34,593 |
| Transfers | (100,000) | (1,159,903) | - | 635,792 |
| Total business-type activities | (79,694) | (872,806) | (4,286) | 678,516 |
| TOTAL PRIMARY GOVERNMENT | \$ 24,007,440 | \$ 26,167,395 | \$ 27,353,972 | \$ 23,948,201 |
| CHANGE IN NET POSITION | | | | |
| Governmental activities | \$ 82,481 | \$ 3,525,133 | \$ 3,631,833 | \$ 1,480,653 |
| Business-type activities | (347,369) | 610,963 | 1,510,606 | 1,290,110 |
| TOTAL PRIMARY GOVERNMENT | | | | |
| CHANGE IN NET POSITION | \$ (264,888) | \$ 4,136,096 | \$ 5,142,439 | \$ 2,770,763 |

*The Village changed its fiscal year end from April 30 to December 31 effective December 31, 2015 and implemented GASB Statement No. 68.

The Village reclassified certain costs during the eight months ended December 31, 2015, resulting in a shift of costs between general government and public works.

Data Source

Audited Financial Statements

| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|----------------|---------------|---------------|---------------|---------------|---------------|
| \$ 14,023,894 | \$ 14,610,907 | \$ 14,863,211 | \$ 15,489,619 | \$ 15,084,530 | \$ 15,469,925 |
| 9,212,975 | 10,010,365 | 10,325,321 | 10,478,370 | 11,178,386 | 13,548,446 |
| 1,509,812 | 1,480,023 | 1,557,320 | 1,450,058 | 1,478,562 | 1,561,136 |
| 297,557 | 357,185 | 279,049 | 287,057 | 296,948 | 362,080 |
| 763,269 | 750,314 | 755,059 | 718,574 | 584,758 | 812,142 |
| 3,846,520 | 3,682,765 | 3,818,229 | 4,262,369 | 4,329,948 | 5,345,682 |
| 88,510 | 219,868 | 343,239 | 689,741 | 168,580 | 85,858 |
| 663,942 | 521,533 | 567,635 | 490,725 | 613,973 | 421,149 |
| - | - | - | - | - | - |
| 16,268 | - | - | - | - | - |
| - | - | (65,098) | 1,300,888 | - | 307,161 |
| 30,422,747 | 31,632,960 | 32,443,965 | 35,167,401 | 33,735,685 | 37,913,579 |
| 14,449 | 90,626 | 112,249 | 136,822 | 28,137 | 731 |
| 76,043 | 90,040 | 96,176 | 83,600 | 86,275 | 93,659 |
| - | - | 65,098 | (1,300,888) | - | (307,161) |
| 90,492 | 180,666 | 273,523 | (1,080,466) | 114,412 | (212,771) |
| \$ 30,513,239 | \$ 31,813,626 | \$ 32,717,488 | \$ 34,086,935 | \$ 33,850,097 | \$ 37,700,808 |
| \$ (2,743,821) | \$ 1,518,654 | \$ 3,382,046 | \$ 7,400,090 | \$ 17,131,212 | \$ 10,951,563 |
| 1,484,849 | 488,268 | 409,821 | (442,052) | 1,417,718 | 690,010 |
| \$ (1,258,972) | \$ 2,006,922 | \$ 3,791,867 | \$ 6,958,038 | \$ 18,548,930 | \$ 11,641,573 |

VILLAGE OF CARPENTERSVILLE, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

| | 2013 | 2014 | 2015 | 2015* |
|---|---------------------|---------------------|----------------------|----------------------|
| GENERAL FUND | | | | |
| Nonspendable | | | | |
| Prepaid items | \$ 299,982 | \$ 28,969 | \$ 39,896 | \$ 69,206 |
| Advances | - | - | - | 1,835,711 |
| Restricted | | | | |
| Police department programs | 32,947 | 53,862 | - | - |
| Asset forfeiture | - | 192,132 | 186,941 | 189,143 |
| Assigned | | | | |
| Community improvements | - | 42,178 | 107,268 | 182,588 |
| Subsequent year's budget | - | 531,084 | - | 861,587 |
| Carryforwards | 445,873 | 118,750 | 50,000 | - |
| Future cash flow | - | - | - | 1,627,588 |
| Capital projects | - | - | 704,297 | - |
| Unassigned | 4,594,252 | 5,243,591 | 6,262,055 | 3,981,550 |
| TOTAL GENERAL FUND | \$ 5,373,054 | \$ 6,210,566 | \$ 7,350,457 | \$ 8,747,373 |
| ALL OTHER GOVERNMENTAL FUNDS | | | | |
| Nonspendable | | | | |
| Prepaid items | \$ - | \$ 429 | \$ 142 | \$ 141 |
| Park trust principal | 54,611 | 393,150 | 382,295 | 353,783 |
| Advances | - | 80,665 | - | - |
| Restricted | | | | |
| Police department programs | - | - | 64,380 | 74,905 |
| Street maintenance | 1,426,332 | 970,130 | 1,021,369 | 554,538 |
| Capital projects | 1,985,129 | - | 8,226,672 | 6,716,035 |
| Public improvements | 1,983,547 | 2,078,205 | 2,706,045 | 3,243,327 |
| Fire purposes | 36,692 | 26,710 | 22,849 | 41,752 |
| Debt service | 803,049 | 649,139 | 542,007 | 679,859 |
| Assigned | | | | |
| Capital projects | 1,473,791 | 1,698,024 | 1,146,254 | 2,729,164 |
| Carryforwards | 904,362 | 1,482,780 | - | - |
| Unassigned, reported in | | | | |
| Special revenue funds | (18,178) | (91,333) | (237,456) | (2,222,575) |
| TOTAL ALL OTHER GOVERNMENTAL FUNDS | \$ 8,649,335 | \$ 7,287,899 | \$ 13,874,557 | \$ 12,170,929 |

*The Village changed its fiscal year end from April 30 to December 31 effective December 31, 2015.

Data Source

Audited Financial Statements

| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 32,975 | \$ 36,792 | \$ 40,405 | \$ 41,809 | \$ 76,683 | \$ 58,178 |
| 2,664,345 | 2,297,084 | 3,231,527 | 2,631,527 | 2,631,527 | 2,631,527 |
| - | - | - | - | - | - |
| 187,666 | 125,841 | 140,221 | 190,786 | 156,640 | 142,207 |
| 75,237 | 167,688 | 304,455 | 584,410 | 837,001 | 1,172,201 |
| - | - | - | - | 1,929,524 | 8,040,376 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 6,119,932 | 8,130,784 | 10,508,634 | 13,778,441 | 11,630,461 | 8,364,641 |
| <u>\$ 9,080,155</u> | <u>\$ 10,758,189</u> | <u>\$ 14,225,242</u> | <u>\$ 17,226,973</u> | <u>\$ 17,261,836</u> | <u>\$ 20,409,130</u> |
| \$ 1,100 | \$ 1,100 | \$ 1,000 | \$ 1,500 | \$ 1,000 | \$ 356 |
| 355,852 | 340,063 | 297,172 | 340,010 | 356,393 | 399,319 |
| - | - | - | - | - | - |
| 87,082 | 92,496 | 94,189 | 89,202 | 83,668 | 78,040 |
| 760,557 | 829,843 | 1,279,287 | 1,469,218 | 1,973,258 | 2,310,974 |
| 5,403,103 | 3,595,525 | 3,823,566 | - | - | - |
| 3,318,079 | 2,303,508 | 1,374,194 | 1,828,583 | 1,849,950 | 2,226,425 |
| 46,759 | 40,795 | 41,486 | 45,348 | 56,050 | 73,061 |
| 1,035,958 | 1,454,892 | 1,376,907 | 1,741,335 | 1,770,157 | 1,808,137 |
| 2,101,872 | 441,795 | 576,590 | 1,368,483 | 839,556 | 2,784,284 |
| 1,652,233 | 3,127,445 | 2,237,817 | 2,611,376 | 4,554,617 | 3,513,754 |
| (6,970,139) | (6,603,468) | (5,981,713) | (5,209,098) | (4,323,206) | (3,392,005) |
| <u>\$ 7,792,456</u> | <u>\$ 5,623,994</u> | <u>\$ 5,120,495</u> | <u>\$ 4,285,957</u> | <u>\$ 7,161,443</u> | <u>\$ 9,802,345</u> |

VILLAGE OF CARPENTERSVILLE, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

| | 2013 | 2014 | 2015 | 2015* |
|--|---------------|----------------|---------------|---------------|
| REVENUES | | | | |
| Taxes | \$ 23,393,353 | \$ 21,435,351 | \$ 23,147,804 | \$ 20,790,521 |
| Intergovernmental | 3,062,165 | 6,827,783 | 7,186,475 | 5,549,098 |
| Licenses and permits | 1,506,600 | 1,201,973 | 696,017 | 572,249 |
| Fines and forfeitures | 416,421 | 426,802 | 368,281 | 311,764 |
| Charges for services | 2,138,241 | 1,721,881 | 1,849,974 | 1,264,798 |
| Investment income | 44,093 | 46,941 | (190,127) | (177) |
| Miscellaneous | 409,238 | 628,003 | 625,245 | 477,528 |
| Total revenues | 30,970,111 | 32,288,734 | 33,683,669 | 28,965,781 |
| EXPENDITURES | | | | |
| General government | 3,068,266 | 3,302,152 | 3,396,854 | 4,212,505 |
| Public safety | 15,558,217 | 15,673,106 | 16,475,061 | 12,826,029 |
| Public works | 5,494,017 | 5,888,530 | 6,187,517 | 2,423,308 |
| Community development | 1,816,542 | 1,299,271 | 1,258,329 | 885,561 |
| Culture and recreation | 133,078 | 190,218 | 165,119 | 139,968 |
| Debt service | | | | |
| Principal | 1,597,889 | 2,120,233 | 1,373,712 | 4,685,850 |
| Interest | 1,459,828 | 1,426,366 | 1,357,644 | 1,603,944 |
| Capital outlay | 2,893,822 | 4,689,098 | 4,538,828 | 5,791,001 |
| Total expenditures | 32,021,659 | 34,588,974 | 34,753,064 | 32,568,166 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (1,051,548) | (2,300,240) | (1,069,395) | (3,602,385) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 1,339,868 | 3,227,398 | 578,287 | 2,911,650 |
| Transfers (out) | (1,239,868) | (2,177,165) | (578,287) | (2,911,650) |
| Bonds issued | - | - | 8,278,960 | 2,920,000 |
| Premium on bonds issued | - | - | 494,952 | 366,033 |
| Capital lease | 350,000 | - | - | - |
| Payment to escrow agent | - | - | - | - |
| Sale of capital assets | 3,787 | 24,946 | 22,032 | 9,640 |
| Total other financing sources (uses) | 453,787 | 1,075,179 | 8,795,944 | 3,295,673 |
| NET CHANGE IN FUND BALANCES | \$ (597,761) | \$ (1,225,061) | \$ 7,726,549 | \$ (306,712) |
| DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES | 7.47% | 9.52% | 8.72% | 21.53% |

*The Village changed its fiscal year end from April 30 to December 31 effective December 31, 2015.

The significant increase in the debt service as a percentage of noncapital expenditures relates to a current refunding that occurred during the eight months ended December 31, 2015.

The Village reclassified certain costs during the eight months ended December 31, 2015, resulting in a shift of costs between general government and public works.

Data Source

Audited Financial Statements

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|----|-------------|---------------|---------------|---------------|---------------|---------------|
| \$ | 25,807,506 | \$ 27,208,794 | \$ 27,779,960 | \$ 28,423,678 | \$ 28,326,236 | \$ 31,323,689 |
| | 6,989,756 | 7,623,456 | 6,448,019 | 8,090,620 | 12,516,423 | 9,638,224 |
| | 518,516 | 584,640 | 688,925 | 632,606 | 517,345 | 695,214 |
| | 417,241 | 438,860 | 451,677 | 474,839 | 337,687 | 395,160 |
| | 2,004,875 | 2,039,412 | 2,034,845 | 1,870,222 | 2,304,127 | 3,008,419 |
| | 88,510 | 219,868 | 290,866 | 689,741 | 168,580 | 85,858 |
| | 793,281 | 647,930 | 665,466 | 596,752 | 640,204 | 533,702 |
| | 36,619,685 | 38,762,960 | 38,359,758 | 40,778,458 | 44,810,602 | 45,680,266 |
| | 5,790,986 | 5,917,096 | 5,476,366 | 5,576,828 | 5,894,421 | 5,873,461 |
| | 17,695,839 | 17,835,253 | 18,508,740 | 18,827,495 | 18,673,271 | 19,989,949 |
| | 3,509,948 | 3,516,639 | 3,503,422 | 3,503,681 | 3,038,403 | 3,139,977 |
| | 5,689,024 | 2,018,075 | 2,348,239 | 1,424,367 | 1,488,850 | 1,547,261 |
| | 173,095 | 225,990 | 248,411 | 272,285 | 239,730 | 182,746 |
| | 1,445,040 | 1,373,950 | 1,453,928 | 1,871,920 | 1,923,620 | 1,856,270 |
| | 1,527,048 | 1,438,769 | 1,393,490 | 1,337,117 | 1,415,055 | 862,966 |
| | 4,488,677 | 6,970,627 | 3,577,708 | 7,148,196 | 9,444,647 | 7,018,814 |
| | 40,319,657 | 39,296,399 | 36,510,304 | 39,961,889 | 42,117,997 | 40,471,444 |
| | (3,699,972) | (533,439) | 1,849,454 | 816,569 | 2,692,605 | 5,208,822 |
| | 6,287,527 | 2,905,571 | 2,193,593 | 3,483,862 | 8,575,513 | 6,212,586 |
| | (6,587,527) | (2,905,571) | (1,142,705) | (2,182,974) | (8,575,513) | (5,905,425) |
| | 4,640,420 | - | - | - | 10,995,000 | - |
| | - | - | - | - | 1,919,858 | - |
| | - | - | - | - | - | - |
| | (4,705,790) | - | - | - | (12,771,398) | - |
| | 19,651 | 43,021 | 63,202 | 49,736 | 74,284 | 272,213 |
| | (345,719) | 43,021 | 1,114,090 | 1,350,624 | 217,744 | 579,374 |
| \$ | (4,045,691) | \$ (490,418) | \$ 2,963,544 | \$ 2,167,193 | \$ 2,910,349 | \$ 5,788,196 |
| | 8.03% | 7.90% | 8.42% | 9.46% | 9.95% | 7.30% |

VILLAGE OF CARPENTERSVILLE, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

| Levy Year | Residential Property | Commercial Property | Industrial Property | Farm Property | Kane County Total Property | Total Taxable Assessed Value | Total Direct Tax Rate | Estimated Actual Taxable Value | Estimated Actual Taxable Value as a percent of Actual Value |
|------------------|-----------------------------|----------------------------|----------------------------|----------------------|-----------------------------------|-------------------------------------|------------------------------|---------------------------------------|--|
| 2012 | \$ 409,324,723 | \$ 70,277,460 | \$ 15,113,716 | \$ 953,898 | \$ 495,669,797 | \$ 495,669,797 | 2.2993 | \$ 1,487,009,391 | 33.333% |
| 2013 | 368,855,199 | 63,002,861 | 12,986,935 | 814,219 | 445,659,214 | 445,659,214 | 2.6707 | 1,336,977,642 | 33.333% |
| 2014 | 351,982,353 | 59,348,248 | 12,152,266 | 625,601 | 424,108,468 | 424,108,468 | 2.9454 | 1,272,325,404 | 33.333% |
| 2015 | 376,194,689 | 56,768,073 | 12,177,758 | 644,372 | 445,784,892 | 445,784,892 | 2.9299 | 1,337,354,676 | 33.333% |
| 2016 | 434,962,298 | 59,242,183 | 12,759,964 | 677,897 | 507,642,342 | 507,642,342 | 2.6052 | 1,522,927,026 | 33.333% |
| 2017 | 477,627,533 | 63,093,572 | 12,908,607 | 697,331 | 554,327,043 | 554,327,043 | 2.3852 | 1,662,981,129 | 33.333% |
| 2018 | 513,808,188 | 66,907,968 | 13,499,029 | 733,835 | 594,949,020 | 594,949,020 | 2.2772 | 1,784,847,060 | 33.333% |
| 2019 | 559,380,237 | 67,844,400 | 13,470,508 | 671,251 | 641,366,396 | 641,366,396 | 2.1124 | 1,924,099,188 | 33.333% |
| 2020 | 587,309,051 | 70,004,289 | 21,246,094 | 699,559 | 679,258,993 | 679,258,993 | 1.9925 | 2,037,776,979 | 33.333% |
| 2021 | 604,059,636 | 70,819,668 | 21,523,763 | 626,179 | 697,029,246 | 697,029,246 | 1.9416 | 2,091,087,738 | 33.333% |

Note: Property in the Village is reassessed every three years. Property is assessed at 33% of actual value.

Data Source

Office of the County Clerk

VILLAGE OF CARPENTERSVILLE, ILLINOIS

DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Levy Years

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Village Direct Tax Rates | | | | | | | | | | |
| Carpentersville Village | 2.2993 | 2.6707 | 2.9454 | 2.9299 | 2.6052 | 2.3852 | 2.2772 | 2.1124 | 1.9925 | 1.9416 |
| Total direct tax rates | 2.2993 | 2.6707 | 2.9454 | 2.9299 | 2.6052 | 2.3852 | 2.2772 | 2.1124 | 1.9925 | 1.9416 |
| Overlapping Rates | | | | | | | | | | |
| School District 300 residents | | | | | | | | | | |
| Kane County | 0.4336 | 0.4623 | 0.3794 | 0.3914 | 0.3401 | 0.4025 | 0.3877 | 0.3739 | 0.3618 | 0.3522 |
| Kane County Forest Preserve | 0.2710 | 0.3039 | 0.3059 | 0.2882 | 0.2193 | 0.1657 | 0.1607 | 0.1549 | 0.1477 | 0.1435 |
| Dundee Township | 0.2143 | 0.3261 | 0.2265 | 0.2164 | 0.1973 | 0.0783 | 0.0754 | 0.0728 | 0.0719 | 0.0718 |
| Dundee Township Road Funds | 0.0958 | - | 0.1112 | 0.1146 | 0.0988 | 0.0986 | 0.0950 | 0.0917 | 0.0899 | 0.0898 |
| School District 300 | 5.6752 | 6.3182 | 6.5000 | 7.1667 | 5.9196 | 5.7240 | 5.6964 | 5.4778 | 5.3822 | 5.3253 |
| Elgin Community College 509 | 0.5215 | 0.5707 | 0.5994 | 0.6260 | 0.5223 | 0.4999 | 0.5075 | 0.4865 | 0.4439 | 0.4514 |
| Dundee Park District | 0.5145 | 0.6269 | 0.5873 | 0.5841 | 0.5348 | 0.5643 | 0.5445 | 0.5178 | 0.4750 | 0.5127 |
| Fox River Valley Public Library | 0.1811 | 0.2061 | 0.1949 | 0.1876 | 0.1808 | 0.1864 | 0.1798 | 0.1737 | 0.1705 | 0.1704 |

Note: Rates for debt service are set based on each year's requirements.

Data Source

Office of the County Clerk

VILLAGE OF CARPENTERSVILLE, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

| Taxpayer | Type of Business | 2021 | | | 2013 | | |
|------------------------------------|-------------------|------------------------|------|--|------------------------------|------|--|
| | | Taxable Assessed Value | Rank | Percentage of Total Village Taxable Assessed Valuation | Equalized Assessed Valuation | Rank | Percentage of Total Village Taxable Assessed Valuation |
| Wal-Mart | Retail Store | \$ 6,680,554 | 1 | 0.96% | | | |
| Meadowdale Apartments | Rental Properties | 4,338,097 | 2 | 0.62% | \$ 2,199,671 | 7 | 0.44% |
| Meadowdale Management | Rental Properties | 4,338,096 | 3 | 0.62% | | | |
| Meadowdale Apartments Unit III LLC | Rental Properties | 4,332,098 | 4 | 0.62% | | | |
| Otto Engineering | Industrial | 4,287,481 | 5 | 0.62% | | | |
| Meadowdale Shopping Center | Shopping Center | 3,417,848 | 6 | 0.49% | | | |
| Menards Inc | Commercial | 3,302,617 | 7 | 0.47% | 4,522,209 | 4 | 0.91% |
| Woodmans | Grocery Store | 3,199,680 | 8 | 0.46% | 5,725,260 | 2 | 1.16% |
| Steadfast Foxview | Rental Properties | 2,848,340 | 9 | 0.41% | \$ 4,850,653 | 3 | 0.98% |
| Improved Besinger Properties | Rental Properties | 2,831,742 | 10 | 0.41% | 2,711,055 | 5 | 0.55% |
| PCCR USA | Shopping Center | | | | 2,214,729 | 6 | 0.45% |
| Springhill Marketplace | Shopping Center | | | | | | |
| Sprillhill Mall LLC | Shopping Center | | | | 7,397,048 | 1 | 1.49% |
| TOTAL | | <u>\$ 39,576,553</u> | | <u>5.68%</u> | <u>\$ 29,620,625</u> | | <u>7.17%</u> |

Note: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked.

Data Source

Office of the County Clerk

VILLAGE OF CARPENTERSVILLE, ILLINOIS

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

| Levy Year | Tax Levied | Collected within the Fiscal Year of the Levy | | Collections in Subsequent Years | Total Collections to Date | |
|-----------|---------------|--|--------------------|---------------------------------|---------------------------|--------------------|
| | | Amount | Percentage of Levy | | Amount | Percentage of Levy |
| 2012 | \$ 11,397,124 | \$ 11,341,382 | 99.51% | \$ - | \$ 11,341,382 | 99.51% |
| 2013 | 11,902,305 | 11,844,299 | 99.51% | - | 11,844,299 | 99.51% |
| 2014 | 12,471,832 | 12,444,944 | 99.78% | - | 12,444,944 | 99.78% |
| 2015 | 13,061,065 | 13,015,707 | 99.65% | - | 13,015,707 | 99.65% |
| 2016 | 13,225,312 | 13,189,742 | 99.73% | - | 13,189,742 | 99.73% |
| 2017 | 13,221,676 | 13,191,216 | 99.77% | - | 13,191,216 | 99.77% |
| 2018 | 13,548,304 | 13,520,155 | 99.79% | - | 13,520,155 | 99.79% |
| 2019 | 13,548,307 | 13,520,397 | 99.79% | - | 13,520,397 | 99.79% |
| 2020 | 13,533,950 | 13,524,335 | 99.93% | - | 13,524,335 | 99.93% |
| 2021 | 13,533,659 | N/A | N/A | N/A | N/A | N/A |

N/A - information not available

Data Source

Office of the County Clerk

VILLAGE OF CARPENTERSVILLE, ILLINOIS

SALES TAX BY CATEGORY

Last Ten Calendar Years

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| General merchandise | \$ 235,259 | \$ 241,561 | \$ 235,998 | \$ 242,394 | \$ 553,070 | \$ 823,885 | \$ 848,641 | \$ 817,135 | \$ 767,193 | \$ 796,807 |
| Food | 1,197,703 | 1,142,340 | 1,190,412 | 1,250,684 | 1,236,176 | 1,312,199 | 1,281,128 | 1,360,153 | 1,461,535 | 1,561,052 |
| Drinking and eating places | 267,660 | 260,813 | 273,561 | 293,052 | 314,337 | 323,766 | 363,092 | 397,871 | 401,723 | 481,453 |
| Apparel | 29,881 | 30,732 | 29,167 | 30,989 | 37,363 | 32,878 | 32,554 | 35,983 | 16,331 | 38,942 |
| Furniture, H.H. and radio | 24,260 | 30,475 | 25,605 | 23,009 | 11,870 | 9,321 | 8,299 | 6,241 | 7,585 | 8,587 |
| Lumber, building hardware | 467,955 | 502,991 | 531,175 | 573,956 | 590,646 | 588,438 | 574,196 | 602,700 | 743,825 | 762,162 |
| Automobile and filling stations | 362,788 | 356,635 | 360,741 | 315,151 | 270,892 | 296,100 | 322,253 | 285,336 | 279,586 | 321,118 |
| Drugs and miscellaneous retail | 262,480 | 286,637 | 281,545 | 174,540 | 364,829 | 353,292 | 325,602 | 333,616 | 365,715 | 801,942 |
| Agriculture and all others | 76,466 | 73,582 | 69,695 | 215,318 | 94,169 | 88,425 | 148,646 | 120,600 | 98,021 | 120,219 |
| Manufacturers | 19,004 | 19,536 | 18,143 | 15,944 | 25,806 | 34,932 | 34,868 | 32,985 | 26,397 | 42,841 |
| Other | - | - | - | - | - | - | - | - | - | - |
| TOTAL | \$ 2,943,456 | \$ 2,945,302 | \$ 3,016,042 | \$ 3,135,037 | \$ 3,499,158 | \$ 3,863,236 | \$ 3,939,279 | \$ 3,992,620 | \$ 4,167,911 | \$ 4,935,125 |
| VILLAGE DIRECT SALES TAX RATE | 1.00% |

Data Source

Illinois Department of Revenue

VILLAGE OF CARPENTERSVILLE, ILLINOIS

HOME RULE SALES TAX BY CATEGORY

Last Nine Calendar Years

| Calendar Year | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| General merchandise | \$ 359,104 | \$ 418,572 | \$ 478,214 | \$ 871,808 | \$ 1,183,484 | \$ 1,163,428 | \$ 1,025,401 | \$ 950,181 | \$ 1,063,725 |
| Food | 575,416 | 705,585 | 898,917 | 896,526 | 1,004,735 | 995,216 | 1,091,686 | 1,119,545 | 1,433,716 |
| Drinking and eating places | 390,459 | 478,347 | 582,831 | 621,624 | 639,314 | 715,259 | 783,127 | 789,351 | 941,291 |
| Apparel | 46,098 | 51,318 | 61,977 | 74,726 | 65,756 | 65,108 | 71,962 | 32,662 | 77,868 |
| Furniture, H.H. and radio | 45,711 | 44,957 | 45,962 | 23,739 | 18,641 | 16,600 | 12,483 | 15,170 | 17,169 |
| Lumber, building hardware | 746,834 | 921,975 | 1,136,512 | 1,169,960 | 1,165,545 | 1,136,742 | 1,188,139 | 1,472,247 | 1,511,606 |
| Automobile and filling stations | 498,398 | 568,086 | 546,385 | 466,224 | 522,469 | 554,160 | 488,524 | 399,299 | 523,749 |
| Drugs and miscellaneous retail | 236,977 | 262,021 | 108,161 | 362,049 | 343,657 | 310,804 | 310,998 | 369,660 | 1,328,530 |
| Agriculture and all others | 99,376 | 107,216 | 344,364 | 176,122 | 165,780 | 270,548 | 223,146 | 176,384 | 243,775 |
| Manufacturers | 28,662 | 30,826 | 30,994 | 50,945 | 69,182 | 69,050 | 65,207 | 52,234 | 85,244 |
| TOTAL | \$ 3,027,035 | \$ 3,588,903 | \$ 4,234,317 | \$ 4,713,723 | \$ 5,178,563 | \$ 5,296,915 | \$ 5,260,673 | \$ 5,376,733 | \$ 7,226,673 |

Information for 2012 is not available.

Note: Village home rule sales tax rate is 2% effective July 1, 2014.

Data Source

Illinois Department of Revenue

VILLAGE OF CARPENTERSVILLE, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

| Fiscal Year Ended | Governmental Activities | | | | | Business-Type Activities | | | | Total Primary Government | Percentage of Personal Income* | Per Capita** |
|-------------------|--------------------------|--|--------------------------|----------------|-------------------------|--------------------------|--|--------------------------|---------------|--------------------------|--------------------------------|--------------|
| | General Obligation Bonds | Refinancing Cost of General Obligation Bonds | | Capital Leases | Promissory Note Payable | General Obligation Bonds | Refinancing Cost of General Obligation Bonds | | IEPA Loan | | | |
| | | Unamortized Bond Discount | Unamortized Bond Premium | | | | Unamortized Bond Discount | Unamortized Bond Premium | | | | |
| 2013 | \$ 29,016,800 | \$ - | \$ 72,919 | \$ 292,772 | \$ 114,623 | \$ 6,978,200 | \$ - | \$ 62,685 | \$ 10,479,272 | \$ 47,017,271 | 5.77% | \$ 1,231.00 |
| 2014 | 27,069,650 | - | 53,306 | 177,000 | 57,312 | 6,380,350 | - | 53,305 | 9,596,351 | 43,387,274 | 5.32% | 1,135.91 |
| 2015 | 34,149,760 | - | 535,744 | 59,450 | - | 15,415,240 | - | 814,050 | 623,404 | 51,597,648 | 6.33% | 1,350.87 |
| 2015*** | 32,443,360 | - | 830,776 | - | - | 14,326,640 | - | 1,066,723 | 2,255,126 | 50,922,625 | 6.25% | 1,329.88 |
| 2016 | 31,313,890 | - | 773,249 | - | - | 13,307,110 | - | 945,662 | 2,161,560 | 48,501,471 | 5.93% | 1,266.65 |
| 2017 | 29,939,940 | - | 715,723 | - | - | 12,146,060 | - | 824,601 | 2,063,296 | 45,689,620 | 5.59% | 1,193.22 |
| 2018 | 29,536,900 | - | 719,464 | - | - | 9,913,100 | - | 642,271 | 1,963,062 | 42,774,797 | 5.23% | 1,117.10 |
| 2019 | 27,664,980 | - | 658,108 | - | - | 8,484,120 | - | 525,039 | 1,860,819 | 39,193,066 | 4.79% | 1,023.56 |
| 2020 | 24,066,360 | - | 2,468,614 | - | - | 7,001,740 | - | 407,807 | 1,756,526 | 35,701,047 | 4.37% | 932.36 |
| 2021 | 22,210,090 | - | 2,215,272 | - | - | 5,461,910 | - | 290,575 | 1,650,142 | 31,827,989 | 3.16% | 846.53 |

Note: Details of the Village's outstanding debt can be found in the notes to financial statements.

*See the Schedule of Assessed Value and Actual Value of Taxable Property for property value data.

**See the Schedule of Demographic and Economic Information for personal income and population data.

***The Village changed its fiscal year end from April 30 to December 31 effective December 31, 2015.

Data Source

Village Records

VILLAGE OF CARPENTERSVILLE, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

| Fiscal Year | Governmental Activities | Business-Type Activities | Less Amounts Available | | Governmental Activities Obligation Bonds Refinancing Costs | | Business-Type Activities General Obligation Bonds Refinancing Costs | | Percentage of Estimated Actual Taxable | Per Capita** |
|-------------|--------------------------|--------------------------|------------------------|---------------|--|--------------------------|---|--------------------------|--|--------------|
| | General Obligation Bonds | General Obligation Bonds | In Debt | Service Fund | Unamortized Bond Discount | Unamortized Bond Premium | Unamortized Bond Discount | Unamortized Bond Premium | Value of Property* | |
| 2013 | \$ 29,016,800 | \$ 6,978,200 | \$ 803,049 | \$ 35,191,951 | \$ - | \$ 72,919 | \$ - | \$ 62,685 | 2.37% | \$ 921.35 |
| 2014 | 27,069,650 | 6,380,350 | 649,279 | 32,800,721 | - | 53,306 | - | 53,305 | 2.45% | 858.75 |
| 2015 | 34,149,760 | 15,415,240 | 542,007 | 49,022,993 | - | 535,744 | - | 814,050 | 3.85% | 1,283.46 |
| 2015*** | 32,443,360 | 14,326,640 | 697,859 | 46,072,141 | - | 830,776 | - | 1,066,723 | 3.45% | 1,206.20 |
| 2016 | 31,313,890 | 13,307,110 | 1,037,058 | 43,583,942 | - | 773,249 | - | 945,662 | 2.86% | 1,138.23 |
| 2017 | 29,939,940 | 12,146,060 | 1,455,992 | 40,630,008 | - | 715,723 | - | 824,601 | 2.44% | 1,061.09 |
| 2018 | 29,536,900 | 9,913,100 | 1,377,907 | 38,072,093 | - | 719,464 | - | 642,271 | 2.13% | 994.28 |
| 2019 | 27,664,980 | 8,484,120 | 1,742,835 | 34,406,265 | - | 658,108 | - | 525,039 | 1.79% | 898.55 |
| 2020 | 24,066,360 | 7,001,740 | 1,771,157 | 29,296,943 | - | 2,468,614 | - | 407,807 | 1.44% | 765.11 |
| 2021 | 22,210,090 | 5,461,910 | 1,808,493 | 25,863,507 | - | 2,215,272 | - | 290,575 | 1.24% | 687.90 |

Note: Details of the Village's outstanding debt can be found in the notes to financial statements.

*See the Schedule of Assessed Value and Actual Value of Taxable Property for property value data.

**See the Schedule of Demographic and Economic Information for population data

***The Village changed its fiscal year end from April 30 to December 31 effective December 31, 2015.

Data Source

Village Records

VILLAGE OF CARPENTERSVILLE, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

December 31, 2021

| | Applicable to Village | | |
|--------------------------------|------------------------------|-----------------|-----------------------|
| | Outstanding Debt | Percent* | Amount |
| Village Direct Debt | | | |
| Carpentersville Village | \$ 24,425,362 | 100.00% | \$ 24,425,362 |
| Overlapping Debt | | | |
| Kane County | 32,170,000 | 5.75% | 1,849,775 |
| Kane County Forest Preserve | 115,640,000 | 28.00% | 32,379,200 |
| Dundee Township | - | 33.52% | - |
| Barrington School District 220 | 112,444,300 | 13.80% | 15,517,313 |
| School District 300 | 275,875,248 | 13.80% | 38,070,784 |
| Elgin Community College 509 | 146,490,000 | 29.30% | 42,921,570 |
| Harper College 512 | 103,580,000 | 0.28% | 290,024 |
| Dundee Park District | 15,426,835 | 0.25% | 38,567 |
| Total overlapping debt | 801,626,383 | | 131,067,233 |
| TOTAL | \$ 826,051,745 | | \$ 155,492,595 |

Note: Rates for debt service are set based on each year's requirements.

*The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the Village's taxable assessed value that is within the government's boundaries and dividing it by the Village's total taxable assessed value.

Data Source

Office of the County Clerk

VILLAGE OF CARPENTERSVILLE, ILLINOIS

LEGAL DEBT MARGIN

December 31, 2021

The Village is a home rule municipality.

Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of the legal debt margin.

"The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 50,000 an aggregate of one per cent:...indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts."

To date the General Assembly has set no limits for home rule municipalities.

VILLAGE OF CARPENTERSVILLE, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

| Fiscal Year | Population | Personal Income | Per Capita Personal Income | Median Age | School Enrollment* | Unemployment Rate** |
|--------------------|-------------------|------------------------|-----------------------------------|-------------------|---------------------------|----------------------------|
| 2013 | 38,196 | \$ 815,370,012 | \$ 21,347 | 29.4 | 20,856 | 13.1% |
| 2014 | 38,196 | 815,370,012 | 21,347 | 29.4 | 20,923 | 9.9% |
| 2015 | 38,196 | 815,370,012 | 21,347 | 29.4 | 7,786 | 5.8% |
| 2015*** | 38,196 | 815,370,012 | 21,347 | 29.4 | 7,786 | 5.8% |
| 2016 | 38,291 | 817,397,977 | 21,347 | 29.4 | 6,882 | 7.0% |
| 2017 | 38,291 | 817,397,977 | 21,347 | 29.4 | 21,261 | 7.1% |
| 2018 | 38,291 | 817,397,977 | 21,347 | 29.4 | 20,985 | 5.9% |
| 2019 | 38,291 | 817,397,977 | 21,347 | 29.4 | 21,143 | 6.0% |
| 2020 | 38,291 | 817,397,977 | 21,347 | 29.4 | 20,023 | 7.1% |
| 2021 | 37,598 | 1,006,498,460 | 26,770 | 30.3 | 19,376 | 7.7% |

*Beginning in 2015, the reporting method was changed by the school district.

**Unemployment rate is the 12-month average.

***The Village changed its fiscal year end from April 30 to December 31 effective December 31, 2015.

Data Sources

Village Records

U.S. Census Bureau

Office of the County Clerk

VILLAGE OF CARPENTERSVILLE, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Twelve Years Ago

| Employer | 2020 | | | 2011 | | |
|---------------------------------|----------------------------|-------------|--------------------------------------|----------------------------|-------------|--------------------------------------|
| | Number of Employees | Rank | % of Total Village Population | Number of Employees | Rank | % of Total Village Population |
| Otto Engineering Inc. | 720 | 1 | 3.89% | 470 | 1 | 1.54% |
| Revcor Inc. | 400 | 2 | 2.16% | 400 | 2 | 1.31% |
| Polynt Composites, U.S.A. | 250 | 3 | 1.35% | | | |
| Trim Rite Food Corporation Inc. | 200 | 4 | 1.08% | 150 | 7 | 0.49% |
| Village of Carpentersville | 136 | 5 | 0.73% | 201 | 4 | 0.66% |
| Acme Industrial | 125 | 6 | 0.68% | | | |
| KDM Enterprises, LLC | 120 | 7 | 0.65% | | | |
| Grayhill Inc. | 192 | 8 | 1.04% | 120 | 8 | 0.39% |
| Stanley Machining & Tool Corp. | 95 | 9 | 0.51% | | | |
| Tru Green Cos., LLC | 75 | 10 | 0.41% | | | |
| Bulk Lift International Inc. | | | | 220 | 3 | 0.72% |
| Stanley Machining & Tool Corp. | | | | 105 | 10 | 0.34% |
| Avens Controls | | | | 120 | 9 | 0.39% |
| Hexian Specialty | | | | 200 | 5 | 0.65% |
| Hexian Specialty Chemicals | | | | 200 | 6 | 0.65% |
| TOTAL | 2,313 | | 12.50% | 2,186 | | 7.14% |

Note: Information from nine years ago is not available.

Data Sources

2020 Illinois Manufacturers Directory & 2020 Illinois Services Directory
Local Phone Surveys

VILLAGE OF CARPENTERSVILLE, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

| Function/Program | 2013 | 2014 | 2015 | 2015* | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| GENERAL GOVERNMENT | | | | | | | | | | |
| Legislative | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.50 | 1.50 | 1.50 | 1.50 | 1.00 |
| Administration | 4.00 | 4.00 | 3.00 | 2.00 | 3.00 | 3.75 | 3.00 | 3.00 | 3.00 | 3.00 |
| Finance | 9.00 | 8.00 | 7.00 | 7.00 | 8.00 | 8.70 | 8.70 | 8.70 | 8.70 | 5.20 |
| Information systems | 2.00 | 2.00 | 3.00 | 3.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Community development | 11.00 | 9.00 | 11.00 | 11.00 | 12.00 | 8.80 | 8.80 | 8.80 | 7.80 | 10.00 |
| Public buildings | 1.00 | 2.00 | 3.00 | 3.00 | 3.00 | 3.70 | 3.70 | 3.70 | 3.70 | 3.70 |
| PUBLIC SAFETY | | | | | | | | | | |
| Police personnel | 70.00 | 70.00 | 70.00 | 70.00 | 68.00 | 67.25 | 67.75 | 67.75 | 68.00 | 69.40 |
| Fire personnel | 37.00 | 37.00 | 48.00 | 48.00 | 50.00 | 51.00 | 50.40 | 51.40 | 51.40 | 53.00 |
| PUBLIC WORKS | | | | | | | | | | |
| Administration | 3.00 | 3.00 | 3.00 | 3.00 | 4.00 | 3.20 | 3.20 | 3.20 | 4.38 | 4.38 |
| Engineering | - | - | - | - | - | 2.30 | 2.00 | 2.00 | 2.00 | 2.00 |
| Utilities - water | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 5.00 | 5.00 | 5.00 | 5.00 |
| Utilities - underground water/sewer | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | 8.30 | 7.50 | 7.50 | 9.40 | 9.40 |
| Utilities - wastewater | 6.00 | 5.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 |
| Street maintenance | 12.00 | 11.00 | 15.00 | 14.00 | 14.00 | 16.50 | 14.80 | 14.80 | 14.80 | 14.80 |
| Vehicle maintenance | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.25 | 3.25 | 3.25 | 3.00 | 3.00 |
| Parks | 1.00 | 1.00 | 1.00 | 1.00 | 2.00 | 1.50 | 2.40 | 2.40 | 2.40 | 2.40 |
| TOTAL | 174.00 | 170.00 | 189.00 | 187.00 | 191.00 | 194.75 | 191.00 | 192.00 | 194.08 | 195.28 |

*The Village changed its fiscal year end from April 30 to December 31 effective December 31, 2015.

Data Source

Village budget office

VILLAGE OF CARPENTERSVILLE, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

| Function/Program | 2013 | 2014 | 2015 | 2015* | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| GENERAL GOVERNMENT | | | | | | | | | | |
| Number of permits issued | 2,992 | 2,412 | 3,667 | 1,226 | 4,334 | 3,863 | 4,182 | 4,175 | 3,905 | 3,954 |
| Building and engineering inspections | 5,367 | 5,007 | 5,138 | 4,503 | 3,195 | 3,415 | 3,284 | 2,824 | 2,771 | 2,913 |
| POLICE | | | | | | | | | | |
| DUI arrests | 128 | 108 | 24 | 52 | 85 | 45 | 43 | 62 | 35 | 71 |
| Criminal arrests | 1,684 | 1,420 | 374 | 895 | 1,381 | 2,946 | 1,752 | 2,248 | 2,228 | 1,961 |
| Accidents | 820 | 1,020 | 379 | 657 | 1,087 | 1,002 | 972 | 964 | 1,069 | 797 |
| Ordinance enforcement | 4,660 | 3,782 | 1,679 | 23,235 | 4,843 | 4,468 | 4,085 | 3,531 | 3,608 | 3,784 |
| Total tickets | 10,335 | 6,728 | 2,618 | 2,118 | 4,860 | 4,160 | 2,875 | 3,041 | 2,173 | 2,626 |
| Total calls | 16,296 | 16,952 | 5,720 | 11,180 | 17,194 | 17,731 | 17,268 | 21,809 | 19,856 | 18,920 |
| FIRE | | | | | | | | | | |
| Number of fire calls answered | 882 | 1,289 | 843 | 592 | 1,129 | 1,268 | 1,271 | 1,350 | 738 | 1,158 |
| Number of EMS calls answered | 2,551 | 2,608 | 2,625 | 1,723 | 2,733 | 2,892 | 3,110 | 3,189 | 3,267 | 2,955 |
| PUBLIC WORKS | | | | | | | | | | |
| Tons of garbage collected | 10,015 | 10,475 | 10,477 | 7,595 | 11,116 | 11,191 | 10,894 | 11,303 | 12,553 | 11,076 |
| Tons of yard waste collected | 1,302 | 1,816 | 1,582 | 1,753 | 1,938 | 1,717 | 1,702 | 1,476 | 1,572 | 1,388 |
| Tons of recyclable material collected | 3,284 | 3,421 | 3,264 | 2,414 | 3,460 | 3,341 | 3,206 | 3,244 | 3,312 | 3,043 |
| Trees planted | 28 | 201 | 302 | 223 | 234 | 31 | 37 | 62 | 65 | 134 |
| Trees removed | 803 | 522 | 385 | 273 | 259 | 297 | 149 | 136 | 120 | 123 |
| Street sweeping (hours) | 1,280 | 1,800 | 920 | 1,224 | 240 | 170 | 197 | 110 | 120 | 120 |
| Snow removal (hours) | 1,166 | 3,311 | 4,872 | 1,125 | 2,700 | 1,000 | 1,307 | 1,311 | 1,216 | 1,342 |
| WATER AND SEWER | | | | | | | | | | |
| Average daily consumption (gallons) | 2,540,000 | 2,600,000 | 2,485,000 | 2,527,000 | 2,410,000 | 2,393,000 | 2,487,000 | 2,431,000 | 2,460,000 | 2,100,000 |
| Meter installations | 1,375 | 1,650 | 1,304 | 1,310 | 185 | 147 | 150 | 150 | 149 | 15 |
| Catch basins/inlets cleaned | 36 | 51 | 52 | 35 | 82 | 77 | 54 | 54 | 86 | 86 |

*The Village changed its fiscal year end from April 30 to December 31 effective December 31, 2015.

Data Source

Village Records

VILLAGE OF CARPENTERSVILLE, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

| Function/Program | 2013 | 2014 | 2015 | 2015** | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---------------------------------|-------------|-------------|-------------|---------------|-------------|-------------|-------------|-------------|-------------|-------------|
| GENERAL GOVERNMENT | | | | | | | | | | |
| General government buildings* | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Number of vehicles | 1 | 1 | 1 | 1 | 2 | 2 | 2 | 2 | 2 | 2 |
| PUBLIC SAFETY | | | | | | | | | | |
| Police | | | | | | | | | | |
| Stations* | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Number of squad cars | 36 | 36 | 39 | 39 | 37 | 37 | 37 | 37 | 37 | 35 |
| Fire | | | | | | | | | | |
| Stations | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Number of vehicles | 14 | 14 | 14 | 14 | 15 | 15 | 15 | 14 | 14 | 15 |
| PUBLIC WORKS | | | | | | | | | | |
| Public works buildings | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Number of bridges | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Number of vehicles | 26 | 26 | 28 | 28 | 31 | 31 | 31 | 32 | 32 | 32 |
| Streets (miles) | 30 | 96 | 96 | 96 | 96 | 96 | 96 | 96 | 96 | 96 |
| WATER AND SEWER | | | | | | | | | | |
| Water mains (miles) | 120 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 |
| Sanitary sewers (miles) | 75 | 108 | 108 | 108 | 108 | 108 | 108 | 108 | 108 | 108 |
| Storm sewers (miles) | 104 | 87 | 87 | 87 | 87 | 87 | 87 | 95 | 95 | 95 |
| Number of fire hydrants | 1,592 | 1,642 | 1,629 | 1,629 | 1,638 | 1,638 | 1,638 | 1,651 | 1,651 | 1,653 |
| Vehicles | 26 | 24 | 27 | 27 | 26 | 26 | 26 | 21 | 21 | 20 |
| COMMUNITY DEVELOPMENT | | | | | | | | | | |
| Number of vehicles | 11 | 11 | 11 | 11 | 9 | 10 | 10 | 6 | 6 | 6 |
| CULTURE AND RECREATION | | | | | | | | | | |
| Number of parks and playgrounds | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Number of vehicles | 4 | 4 | 3 | 3 | 2 | 2 | 2 | 2 | 2 | 1 |

*The Police Department and Village Hall reside in the same building.

**The Village changed its fiscal year end from April 30 to December 31 effective December 31, 2015.

N/A - Information not available

Data Source

Village Records