VILLAGE OF

LINCOLNSHIRE

Comprehensive Annual Financial Report

For the Year Ended December 31, 2020

Village of Lincolnshire, Illinois

Comprehensive Annual Financial Report

December 31, 2020

Prepared By Finance Department
Michael R. Peterson
Finance Director/Village Treasurer

Village of Lincolnshire

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VILLAGE OF
LINCOLNSHIRE

June 7, 2021

To the Mayor, Board of Trustees and Citizens of the Village of Lincolnshire:

Formal Transmittal

State law requires all general-purpose local governments publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report of the Village of Lincolnshire for the fiscal year ended December 31, 2020.

This report consists of management's representations concerning the finances of the Village. Management assumes full responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, the Village Management has established a comprehensive internal control framework designed both to protect the Village's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Village's financial statements in accordance with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh anticipated benefits, the Village's objective is to provide reasonable, rather than absolute, assurance the financial statements are free of any material misstatements. As Management, we assert, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Baker Tilly US LLP, Independent Certified Public Accountants, have issued an unmodified opinion on the Village's financial statements for the fiscal year ended December 31, 2020. The independent auditors' report is presented at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Village

Basic Information

The Village of Lincolnshire, incorporated in 1957, is located in southern Lake County and is 38 miles north of the City of Chicago. The community covers nearly five-square miles with the northern branch of the Des Plaines River running through its boundaries. Thousands of native deciduous trees and significant open space help create a bucolic atmosphere making the Village a very desirable community to locate both businesses and residences. The Village is also home to the nationally recognized Adlai E. Stevenson High School and Lincolnshire Prairie View School District serving preschool through 8th grade. The Village became home rule by a voter approved referendum in 1975. The most recent federal census recorded 7,275 residents, and Lincolnshire's day-time population is estimated at nearly 20,000.

The Village has the authority to levy a property tax on real property located within its boundaries. It is also empowered by state statute to extend its corporate limits via annexation, which it has done from time to time. As a home-rule entity, the Village has no tax rate limits or debt limits, and is not required to conduct a referendum to authorize the issuance of debt or to increase property taxes.

The Village has operated under the council-manager form of government since its incorporation. Policy-making and legislative authority are vested in a seven-member Board, composed of a mayor, and six trustees, elected on an at-large basis for four year, staggered terms. The Village Board appoints a Village Manager; Treasurer, and Corporation Counsel. The Village Manager is responsible for carrying out the policies and ordinances of the Village Board; overseeing the day-to-day operation of the Village; and for appointing the heads of the various departments.

The Village provides a full range of services including police protection; community and economic development; construction and maintenance of the Village's streets and other infrastructure. It also is responsible for the operation and maintenance of an extensive water and sanitary sewer system. The Village's Public Works Department oversees maintenance of the Village's park and path system and manages a woodlands program which serves to protect and preserve urban forest and natural areas. Fire protection is provided by the Lincolnshire-Riverwoods Fire Protection District. The Village's Comprehensive Annual Financial Report also includes the activities of the Police Pension Fund; however, control of the Police Pension Fund rests with an independent board.

The annual budget serves as the foundation for the Village's financial planning and control. All departments of the Village are required to submit their request for appropriations to the Village Manager as part of the annual budget process. The Village Manager presents the proposed budget to the Village Board for review in October. The Village Board adopts a final budget no later than the close of the fiscal year which is December 31. The budget is prepared by fund, function (i.e., public works), and division (i.e., streets). Budgeted transfers must be approved by the Board. Any revisions altering the total expenditures of any department must be approved by the Village Board. Budget-to-actual comparisons are provided in this report for each governmental and proprietary fund for which an appropriated annual budget has been adopted.

Assessment of Economic Condition and Future Outlook

Local Economy
The Village of Lincolnshire has an established reputation in Lake County and the north suburbs of Chicago as a premier community. Lincolnshire boasts a variety of housing options, nationally recognized elementary and high school, corporate headquarters and strong restaurant/retail sector, as well as, excellent municipal services.

Annual operational cost and debt service has traditionally been funded with current revenues. Capital Expenses are typically funded via accumulated reserves designated for such use. This strategy is anticipated through the foreseeable fiscal year 2025. The Village has historically levied property taxes to offset the costs associated with police protection services, pension obligations and social security.

The Village continues its long-standing practice to budget revenues conservatively, while assuming that 100% of the expense budget will be spent. This prudent practice has led to a healthy General Fund *Fund Balance* which is in compliance with the Village's fund balance policy.

Key Village Indicators and Fiscal Trends
(dollars in millions)

Fiscal Year End	2020	2019	2018	2017	2016	2015	2014	2013	2012
EAV (million)	$657	$667	$659	$644	$625	$586	$563	$561	$562
Gen Fund Revenue	$10.9	$14.1	$13.3	$12.2	$11.6	$12.3	$11.3	$10.3	$11.0
Gen Fund Reserve Ratio (% of annual expense plus debt)	75%	75%	75%	80%	74%	124%	125%	145%	124%

The three basic economic indicators listed above serve as benchmarks as to how Lincolnshire finances have been impacted over the years. The Village experienced an 18.9% growth from the 2013 low ($561 million) to 2019 ($667.1 million). Unfortunately; during the pandemic, a wave of residents submitted property assessment appeals resulting in a $9.3 million (1.4%) reduction in Lincolnshire's equalized assessed valuation.

Five types of revenue sources account for 66.0% of the total projected revenues for the FY21 General Fund. These sources and their respective budget increases/ -decreases over FY20 are as follows: Sales Tax (-15.1%), Utility Tax (0.0%), Telecommunication Tax (-2.9%) Rooms & Admissions Tax (-45.5%), and Property Tax (3.6%). Given the impact of the COVID-19 pandemic and related revenue loss, the Village Board is closely monitoring economic conditions. The 2021 budget reflects a slight increase in the property tax rate; as well as increases in charges for water and sewer service. All other tax percentages are to remain the same in 2021 as they were in 2020. The General Capital Projects Fund was created in FY2013 to allocate General Fund reserves to pay for needed infrastructure projects and equipment. It is the Village's policy to maintain a reserve equal to 75% of one year's operating expenses. Reserves in excess of this policy are transferred to the General Capital Projects Fund annually. Any shortfalls in the General Funds reserve will be replenished from a General Capital Projects Fund transfer. The General Fund FY20 Budget anticipates an uncommon transfer of $3,772,190 from the General Capital Projects Fund to the General Fund. This transfer is required to transfer money to the Water & Sewer Improvement fund to pay for the construction segment 3 and 4 of large multi-year water main project to provide system-wide improvements.

Major revenue sources and regional/national economic trends, as well as the impact of the ongoing pandemic, continue to be monitored since they normally have the largest impact on the Village's finances. Concurrently, expenditures continue to be examined on a monthly basis.

Long-Term Financial Planning

The Village's long-term strategy is aimed at preserving the outstanding quality of life enjoyed by its residents and also ensure residents' expectation for excellent service continues to be delivered. The financial stress resulting from the recent recession required the Village to focus more so on increasing efficiencies and delivering core services than in the past. Operating and capital expenditure spending levels are forecasted to rise; reversing the recent trend where expenses shrunk to meet the challenge of diminished revenues.

Relevant Financial Policies for this Year

The cornerstone of the Village's strategic financial planning has always been to conservatively anticipate revenues to be "lower than projected" and to assume expenditures to be "at 100% of budgeted". The General Fund unassigned fund balance; as of 12/31/2020, is currently at 75.0% of annualized general fund operating expenditures (excluding Sales Tax Rebate, Economic Incentive payments, and Police Pension Contribution). The Village's policy guideline established for budgetary and planning purposes ("75% of one-year's operational expenditures excluding capital outlay, but includes annual debt service"). Additionally, the General Capital Projects Fund has a $8.1 million balance reserved for capital.

To balance the FY21 balanced General Fund budget it was necessary to include draw funds from the General Capital Fund reserve. In recent years "belt-tightening" measures were initiated, where appropriate, for operating and capital expenditures (i.e., joint purchasing agreements, department reorganization and leaving open unfilled positions, project by project evaluation, outsourcing dispatch services). Annual General Fund revenues have been adequate to cover annual operations and permit the Village to allocate excess funds to capital projects identified in the 10-Year Capital Plan.

Major Initiatives of the Year

As part of the annual budget process, the Board of Trustees developed and prioritized the 2020 strategic goals to promote the Village Board's vision of providing outstanding public services in a fiscally conservative manner. Village staff also completed the seventh annual update of Lincolnshire's 10-Year Capital Plan and 5-Year Financial Forecast. Both of these documents aid elected officials, and management, to budget and plan expenditures in an effective and fiscally responsible manner. Goals for 2020 included initiating an update to the Lincolnshire Comprehensive Land Use Plan, completion of a Village-wide drainage study, update to the master pedestrian plan, and begin work on an update to the Village's Economic Development Strategy Plan. Other priorities included exploring fleet leasing opportunities; creating an organization technology plan; develop of a plan to implement an administrative adjudication program; and initiate an update the Village's emergency response plan.

The Village Board, management and staff are pleased to report the primary goal of maintaining high service levels while not increasing the burden to the taxpayers has been substantially achieved even in light of the uncertainty regarding the financial position of the State of Illinois and impacts of the COVID-19 pandemic. After eight consecutive years of maintaining a tax rate of .241 per $100 EAV, the Village raised the property tax rate to .250 which comprises less than 3% of the total property tax bill paid by residents in the community.

With the slow economic recovery, the current financial crisis for the State of Illinois, and the revenue loss as a result of the COVID-19 pandemic, the Village's strategy is for the Village Board, management and staff to engage in regular evaluation of all aspects of the Village's operations and capital needs to identify opportunities for cost containment as well as the generation of new revenues.

In terms of the Village's enterprise system, water rates were increased 5.1%, and sewer rates were increased 5.0%. A significant commitment was made in 2014 to begin to address water distribution system infrastructure needs as outlined in the 10-Year Capital Plan. In 2018 plans were developed, and in 2019 the Village installed segment 1 and segment 2 of the Crosstown Water Main project. This project, when segments 3 and 4 are completed in future years, will provide system redundancy, increased water pressure, and improved system operation serving those residential areas both east and west of Riverwoods Road. The project will also supplement existing 70 year old water mains in the project area. The first phase of the Cross Town Water Main project, segments 2 and 3, were completed at a cost of nearly $1.3 million.

Development Initiatives

In 2020, a number of significant commercial, industrial and residential projects were approved or constructed resulting in one-time revenues associated with property transfer, building permit fees, as well as long-term revenues via additional property, sales, and utilities taxes for the Village.

- TJS Lincolnshire Property LLC (TSJ), owner of the 43-acre property formerly occupied by the Aon Hewitt Corporate headquarters, received preliminary approvals for a large, full-service, 24/7 recreation, health and fitness facility known as **The St. James** in March of 2020. The timeline to obtain final approvals has been impacted by the COVID-19 pandemic. The owners plan to file a request with the Village Board to extend the approvals for another year, until March 2022 as their preliminary approvals are set to expire in March 2021. Separate zoning approvals will be necessary for other recreational, entertainment, and hospitality uses adjacent to The St. James development.

- **Probat Burns**, a commercial coffee roasting equipment manufacturer, moved its corporate headquarters into a portion of the recently completed 186,000-square-foot building on a 10-acre vacant site at 325 Marriott Drive, southwest corner of Milwaukee Avenue and Marriott Drive in May 2020. The rest of the building is being marketed for lease.

- Pulte Homes completed construction and occupancy of an 85-unit townhome development known as **Camberley Club**. It is located on a 20-acre property at the southeast corner of Milwaukee Avenue and Riverside Road, north of Sedgebrook Retirement Community.

- Taylor Morrison, the second developer of **Lincolnshire Trails Subdivision,** transferred the ownership to M/I Homes. The development will consist of 44 townhomes located on a 20-acre property on the north side of Riverside Road, northeast of Sedgebrook and Camberley Club. As of December 2020, 32 permits and 20 certificates of occupancy were issued.

- The developer Arthur J. Greene Construction continued marketing their 15-lot single-family home subdivision known as **Manors of Whytegate** on the former Mons homestead at 1700 Riverwoods Road, north of Half Day Road. As of December 2020, six permits and four certificates of occupancy were issued.

- **The Institute of Oral Maxillofacial and Implant Surgery and Dermatology & Aesthetics** located in a brand new 5,000-square-foot medical office building at 231 Olde Half Day Road, west of Milwaukee Avenue in October 2020. The 0.5-acre property previously housed an office building which has been demolished.

- Construction on a 113-room **Home2Suites** extended stay hotel by Hilton is in progress on the 2-acre vacant site at 350 Knightsbridge Parkway, Lincolnshire Corporate Center. Completion is scheduled for May 2021.

- **Daniel Wright Junior High School**, 1700 Riverwoods Road, completed a 1,800-square-foot building addition to create additional classroom and lab space in August 2020.

- **Adlai E. Stevenson High School**, 1 Stevenson Drive, began construction of a 106,400-square-foot building addition to expand the existing field house, and provide new spaces for athletic training and staff offices. Construction is expected to be completed in August 2022.

The following ten (10) businesses opened in Lincolnshire in 2020:

- **Agile Premium Finance**, a division of Valley National Bank, opened an office at 475 Half Day Road, Millbrook Office Center (7,000 sq. ft.)

- **Amplify**, a curriculum and assessment company, located at 1 Overlook Point, Lincolnshire Corporate Center (3,200 sq. ft.)

- **City Flatts Group** located at 250 Parkway Drive, CityPark Center (100 sq. ft.)

- **Fat Rosie's Taco & Tequila Bar** located at 940 Milwaukee Avenue, Lincolnshire Commons Center (5,300 sq. ft.)

- **Pear Tree Catering** located at 505 Bond Street, Lincolnshire Business Center (20,000 sq. ft.)

- **Probat,** a commercial roasting company, located its headquarters at 325 Marriott Drive, Lincolnshire Corporate Center (110,000 sq. ft.)

- **Replient**, a software development firm, located at 105 Schelter Road (1,300 sq. ft.)

- **Selected Independent Funeral Homes**, a trade association, located at 1 Overlook Point, Lincolnshire Corporate Center (6,000 sq. ft.)

- **The Institute of Dermatology & Aesthetics** opened at 231 Olde Half Day Road (5,000 sq. ft.)

- **The Institute of Oral Maxillofacial and Implant Surgery** opened at 231 Olde Half Day Road (5,000 sq. ft.)

Acknowledgments

Individuals

The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated staff of the Finance Department- Matt Rossi, assistant finance director and Nancy Panos, finance clerk. Additionally, we would like to express our sincere appreciation to Wally Dittrich, village engineer/ assistant public works director; Tonya Zozulya, planning & development manager; and Carol Lustig, administrative assistant for their continued efforts throughout the year which allowed for the smooth and timely preparation of this report. Finally, we wish to express our appreciation to the members of the Village Board for their interest and support in planning and conducting the financial operations in a responsible and progressive manner.

Respectively Submitted,

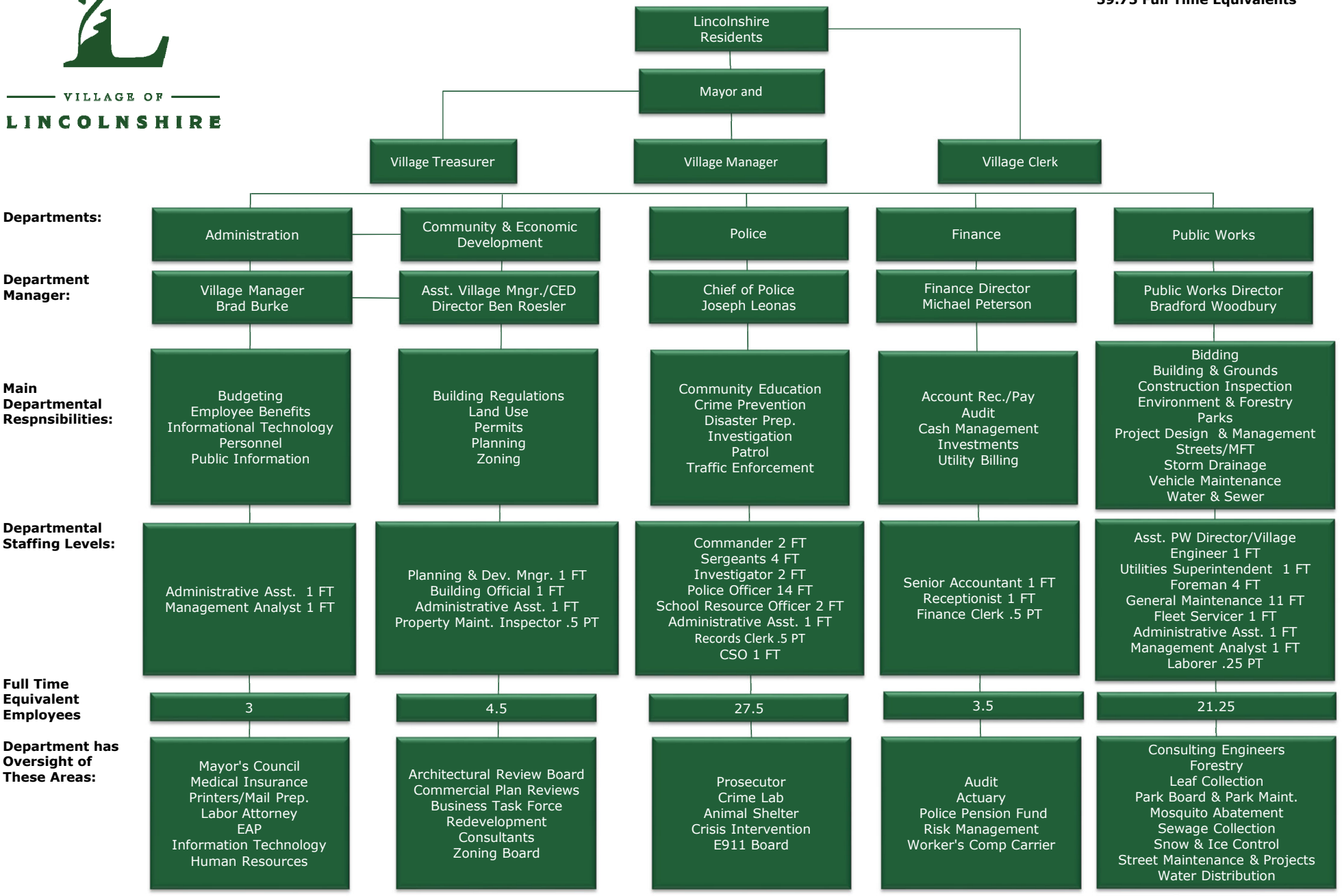
Bradly J. Burke
Village Manager

Michael R. Peterson
Finance Director/ Treasurer

VILLAGE OF
LINCOLNSHIRE

Village of Lincolnshire
Organizational Chart
12/31/2020

58 Full Time Employees
1.75 Part Time or Seasonal Employees
59.75 Full Time Equivalents



VILLAGE OF LINCOLNSHIRE

PRINCIPAL OFFICIALS

December 31, 2020

Mayor

Elizabeth Brandt

Village Board

Dr. Mara Grujanac
Mark Hancock
Gerard Leider
Julie Harms Muth
Veronica Pantelis
Jill Raizin

Village Clerk

Barbara Mastandrea

* * * * * *

Village Manager

Bradly Burke

Finance Director/Village Treasurer

Michael R. Peterson

Independent Auditors' Report

To the Honorable Mayor and the Board of Trustees of
Village of Lincolnshire

Report on the Financial Statements

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 Lincolnshire, Illinois, as of and for the year ended December 31, 2020 and the related notes to the financial statements, which collectively comprise the Village of Lincolnshire's basic financial statements as listed in the table of contents.

Management's Responsibility 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; this includes 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village of Lincolnshire's preparation and fair presentation of the financial statements 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 of Lincolnshire's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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 Lincolnshire, Illinois, as of December 31, 2020 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, 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 of Lincolnshire's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates 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 supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Lincolnshire's basic financial statements. The introductory and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we do not express an opinion or provide any assurance on it.

Baker Tilly US, LLP

Oak Brook, Illinois
June 7, 2021

VILLAGE OF LINCOLNSHIRE, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2020

As management of the Village of Lincolnshire, we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended December 31, 2020 (FY2020). Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, it should be read in conjunction with the Village's financial statements.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Village exceeded its liabilities at the close of fiscal year ending December 31, 2020 by $101.3 million (net position). Of this amount, $4.8 million represents shortfall of unrestricted net position, which is needed to meet the government's ongoing obligations to citizens and creditors. The negative unrestricted balance is primarily related to implementation of Governmental Accounting Standards #68 accounting and financial reporting for pensions and #75 accounting and financial reporting for postemployment benefits other than pensions. The statement establishes standards for measuring and recognizing liabilities and deferred outflows and deferred inflows related to defined benefit pension plans.

- The Village's total net position decreased by $3,055,208 during the twelve months ended December 31, 2020. The net position associated with "governmental activities" decreased $1,675,567. The decrease in net position is primarily related to Rooms and Admission Tax ($1,218,119), Sales Tax ($457,741), Home Rule Sales Tax ($394,869), Food and Beverage Tax ($351,085) all coming in under budgeted expectations. Such significant decline in anticipated revenue was due to the impact of the COVID-19 worldwide pandemic on business activities in the community. Revenues coming in over budget include: Real Estate Transfer Tax ($252,844), Interest Income ($150,682), State Use Tax ($94,853) and State Income Tax ($41,126).

- The business-type $1,650,543 "Net Loss before Contributions and Transfers" continues to emphasize the current water and sewer rates are not sufficient to cover the long term capital needs. The decrease in Net Position $1,379,641 was due a $1,717,879 increase in depreciation; offset by a $270,902 subsidy from the General Fund to Water Sewer Improvement Fund.

- At the close of the current fiscal year, the Village's governmental fund's reported combined fund balances of $20.5 million, a decrease of $1.8 million, or 8.1%, in comparison with the prior fiscal period. The components of the combined fund balance consist of six different funds; three of which are considered "major" and three considered "non-major." At 39.6%, the General Capital Projects Fund comprises the largest share of the Village's combined ending fund balance; the General Fund is second at 36.3% and Park Development Fund is the third largest fund at 10.0%. The Village is the conduit to the Special Service Area (Sedgebrook Development) Debt Service. The entire SSA Debt Service Fund is considered a major governmental fund, and the balance in this fund is restricted. Of the $7.43 million fund balance held in the General Fund, 81.8% of it is available spending at the government's discretion (classified as "unrestricted", unassigned").

- At the end of FY2020; the General Fund unrestricted fund balance (the total of the nonspendable – land held for resale, committed, assigned, and unassigned components of fund balance) represents $7,130,475 which includes the value of land held for resale. The General Fund unrestricted fund balance comprises approximately 75.0% of the General Corporate Fund FY2021 annual operating expenditures (excluding capital and transfers to capital). The Village's policy is to maintain a minimum of 75% of equivalent expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

Governmental Accounting Standards Board (GASB) Statement 34 is designed to provide two perspectives of the Village's financial performance; a focus on the Village as a whole (government-wide) and a focus on the major individual funds. Both perspectives (government-wide and major fund) provide a broader basis upon which to compare and judge the Village's financial accountability. This improved accountability is in part achieved by consolidating financial transactions (eliminating activities between certain funds and focusing on major funds), allocating specific revenues that finance operations to those expenditures, and displaying information about long-term financial decisions.

This Management Discussion and Analysis is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify Village's financial position and ability to address future challenges, (4) identify material deviations from budget, and (5) identify individual fund specific concerns. Readers are encouraged to review the additional information furnished in the transmittal letter found on pages i-vii of this report.

GOVERNMENT REPORTING THE VILLAGE AS A WHOLE

Government-wide Financial Statements

The Village's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Village's overall financial status. Financial reporting, at this level, uses accounting similar to full accrual accounting used in the private sector. Inter-fund activity is eliminated, and the cost of assets with a long service life is spread out over future years so that capital expenditures are amortized (through depreciation) when the benefits are realized.

The first government-wide statement is the *Statement of Net Position* presenting information about all of the Village's assets, deferred inflows of resources, liabilities, and deferred outflows of resources, with the difference reported as *net position.* Over a multi-year period, an increase or decrease in net position can detect an improvement or deterioration in the financial position of the Village as a whole. Additionally, one would need to evaluate non-financial factors, such as the condition of Village infrastructure, the satisfaction of constituents, and other information beyond the scope of this report to make a more complete assessment of whether the Village as a whole has improved.

The second government-wide statement is the *Statement of Activities,* which reports how the Village's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when the cash is received or paid. The statement of activities' purpose is to show the financial reliance of the Village's distinct activities or functions on revenue provided by Village taxpayers.

Both government-wide financial statements (Statement of Net Position and Statement of Activities) distinguish governmental activities of the Village, principally supported by taxes and intergovernmental revenues (such as state shared revenues), from business-type activities intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety and public services. Public services encompass the repair and maintenance of the streets and storm drainage system along with the care of the parks and grounds areas. Special Service Areas are also included in the governmental activities. Business-type activities include the water and sewer utility. Fiduciary activities, such as employee pension plans, are not available to fund Village programs; therefore, are not included in the government-wide statements.

The Village's financial reporting includes the funds of the Village (primary government). The Village is not accountable for any outside organizations; therefore, no adjustments were made to blend financial information from other legally separate entities into this report.

The government-wide financial statements are presented on pages 26-28 of this report.

REPORTING THE VILLAGE'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

A fund is a unit of accountability used to maintain control over resources segregated for specific activities or objectives. The Village uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Village's most significant funds rather than the Village as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report. The Village has three types of funds:

Governmental funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, Governmental fund statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

The government-wide financial statements provide a long-term view. Comparisons between the individual governmental fund statements and government wide statement provides information about financing decisions and the amount invested in maintaining and improving infrastructure. These two perspectives can provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet, and the governmental fund statement of revenues, expenditures and changes in fund balances reconcile the differences between these two perspectives. Budgetary comparison statements are included in the required supplementary information for the general fund. Budgetary comparison schedules for other funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the Village's budget.

The basic governmental fund financial statements are presented on pages 29-32 of this report.

Proprietary funds reported in the fund financial statements are for those services for which the Village charges customers a user fee. There are two kinds of proprietary funds, enterprise and internal service. Enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. Enterprise fund services are primarily provided to customers external to the Village organization such as those of water and sewer utilities. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Village's various functions. The Internal service fund provides services (repair and maintenance of Village vehicles) and charges user fees to individual departments within the Village organization. Because the internal service fund primarily serves the Village, it is included within the governmental activities of the government-wide financial statements.

Proprietary fund statements provide both long-term and short-term financial information consistent with the focus provided by the government-wide financial statements, but with more detail for the major enterprise fund and individual component units. Individual fund information for the internal service fund is found in combining statements in a later section of this report.

The basic proprietary fund financial statements are presented on pages 33-36 of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The Lincolnshire Police Pension plan is reported as a pension trust fund in the financial Statements, but is excluded from the government-wide reporting. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements are presented on pages 38-39 of this report.

Notes to the financial statements
The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 41 of this report.

Other information
In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information related to budgetary information and the Village's progress in funding its Illinois Municipal Retirement Fund (IMRF) and Police Pension obligations to provide pension benefits to its employees.

Major funds are reported in the basic financial statements as discussed. Combining and individual statements and schedules for non-major and internal service fund are presented in a subsequent section of this report beginning on page 101.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted in an earlier statement, net position may serve, over time, as a useful indicator of a government's financial position. In the case of the Village of Lincolnshire, assets exceeded liabilities by $101.3 million at the close of the most recent fiscal year.

The largest portion of the Village's net position (99.8%) is its investment in capital assets - land, buildings, machinery and equipment - less any related debt used to acquire those assets still outstanding. The Village uses these capital assets to provide services to citizens. These assets are not available for future spending. Although the Village's investment in capital assets is reported net of related debt, it should be noted 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. The Village's net position and summary of changes in net position should be viewed in their separate governmental and business-type components.

CONDENSED STATEMENT OF NET POSITION

	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2020	2019	2020	2019	2020
Current and Other Assets	$28,070,226	$25,892,809	$2,558,485	$2,767,242	$30,628,711	$28,660,051
Capital Assets	$68,438,606	$68,197,648	$34,191,527	$32,880,933	$102,630,133	$101,078,581
Deferred Outflows of Resources	$2,884,639	$1,721,403	$534,408	$209,079	$3,419,047	$1,930,482
Total Assets and Deferred Outflows	$99,393,471	$95,811,860	$37,284,420	$35,857,254	$136,677,891	$131,669,114
Other Liabilities	$3,879,381	$3,506,773	$714,384	$845,299	$4,593,765	$4,352,072
Long-Term Liabilities	$22,182,379	$18,519,306	$1,321,877	$909,634	$23,504,256	$19,428,940
Deferred Inflows of Resources	$4,139,718	$6,269,355	$73,110	$306,913	$4,212,828	$6,576,268
Total Liabilities and Deferred Inflows	$30,201,478	$28,295,434	$2,109,371	$2,061,846	$32,310,849	$30,357,280
Net Position						
Net Investment in Capital Assets	$68,438,606	$68,197,648	$34,191,527	$32,880,933	$102,630,133	$101,078,581
Restricted	$5,280,725	$4,999,882			$5,280,725	$4,999,882
Unrestricted	(4,527,338)	($5,681,104)	$ 983,522	$914,475	(3,543,816)	($4,766,629)
Total Net Position	$69,191,993	$67,516,426	$35,175,049	$33,795,408	$104,367,042	$101,311,834

For Fiscal Year ended 2020, the Total Primary Government, as well as Governmental Activities, reported positive balances in two of the three categories of net position. The negative Unrestricted Balance is primarily related to the 2016 implementation of Governmental Accounting Standard #68 accounting and financial reporting for pensions. The statement establishes standards for measuring and recognizing liabilities and deferred outflows and deferred inflows related to defined benefit pension plans. Business-type activities reported positive balances in all categories of net position. The same situation held true for the prior fiscal year. The Village has historically funded needed capital improvements on a pay-as-you go basis. It has been a long-standing Village Board policy to accumulate funds to pay for needed infrastructure and improvements.

Business-type Activities Net Position reported a 3.9% decrease in Net Position related to annual recording of $1.7 million depreciation in capital assets.

The following table provides a summary of the Village's changes in net position:

STATEMENT OF ACTIVITIES
(in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2020	2019	2020	2019	2020
REVENUES:						
Program Revenues:						
Charges for Services	1,787	1,564	5,127	5,145	6,914	6,709
Operate Grants & Contr	1,061	1,062	0	0	1,061	1,062
Capital Grants & Contr	233	0	0	0	233	0
General Revenue:						
Property Taxes	2,816	2,734			2,816	2,734
Other Taxes	10,070	7,035			10,070	7,035
Miscellaneous	260	200	0	0	260	200
Interest Income	329	347	12	3	341	350
Total Revenues	**16,556**	**12,942**	**5,139**	**5,148**	**21,695**	**18,090**
EXPENSES:						
General Government	3,354	2,702			3,354	2,702
Public Safety	5,326	4,162			5,326	4,162
Comm & Econ Development	972	944			972	944
Public Works	2,800	3,598			2,800	3,598
Parks & Open Spaces	2,041	2,271			2,041	2,271
Interest	699	670			699	670
Water and Sewer			5,914	6,799	5,914	6,799
Total Expense	**15,192**	**14,347**	**5,914**	**6,799**	**21,106**	**21,146**
Inc (Dec) in assets before transfers	1,364	(1,405)	(775)	(1,651)	589	(3,056)
Transfers	(750)	(271)	750	271	0	0
Inc (Dec) in Net Position	614	(1,676)	(25)	(1,380)	589	(3,056)
Net Position - Beginning	68,578	69,192	35,200	35,175	103,778	104,367
Net Position - Ending	$69,192	$67,516	$35,175	$33,795	$104,367	$101,311

Governmental Activities

During the current fiscal year, net position for governmental activities decreased $1,675,567 (-2.4%) from the Net Position at the start of the fiscal year for an ending balance of $67,516,426. The decrease in overall net position of governmental activities is reflected in the above condensed Statement of Activities.

Revenue:

Total revenues decreased $3.614 million from $16.56 million (FY2019) to $12.94 million (FY2020).

Property taxes represent approximately 21.1% of the Village's Governmental Activities revenue. Although the Village is not subject to the Tax Cap Limitation Act, the Village's property tax revenue decreased 2.9% from $2,816,049 (FY2019) to $2,734,390 (FY2020). The Village's equalized assessed valuation decreased 1.17% from $667,097,000 to $657,767,329 for tax years 2019 (actually received 2020) and tax year 2020 (to be received in 2021), respectively.

The Illinois Department of Revenue reports the Village of Lincolnshire's sales tax revenue during 2020 decreased $1,264,157 (-34.7%). The only sales tax categories reporting a gain include Drugs & Misc $73,316 (16.3) and Lumber $3,847 (7.1%). The largest declining categories in dollars included Drinking & Eating Places $597,531 (-44.9%); followed by Furniture -$316,052 (-38.2%), Agriculture -$213,017 (-44.2%) and Food -$94,714 (-45.1%).

Lincolnshire's other tax revenues posting 2020 gains over 2019 include: Real Estate Transfer Tax $162,398 (47.7%); Local Use Tax $79,382 (32.3%); and State Income Tax $20,566 (2.6%). Tax revenues reporting losses related to COVID include: Rooms & Admission Tax -$1,495,036 (-72.0%), Utility Tax -$121,782 (-9.6%), and Telecommunication Tax -$84,231 (-8.1%). Tax payments from the State of Illinois consistently lag three months from the liability month end to disbursement; MFT and State Income Tax are the exceptions, with a one month lag.

During FY2020, the Lincolnshire Police Department continued to provide resource officers to Adlai E. Stevenson High School. A second school resource officer was added to serve the high school in 2019 after a renegotiation of an updated intergovernmental agreement with District #125. Revenue posted to Governmental Activities for FY2020 services rendered were $325,266; up 4.7% or $14,554 from FY2019. This increase was due to the addition services requested during COVID. The service contract is based on actual officer salaries, the cost of a police vehicle, special duty details, and benefits.

The "second tier" revenue sources (non-taxes) were down $246,091 (14.5%) from FY2019. Specifically, the following revenue decreased from FY2019; License & Permits -$117,350 (-15.7%), Building Permit Fees -$55,565 (-21.7%); Investment Income -$40,970 (-9.5%), Fines, and Forfeitures $32,206 (-12.2%). Building permit fees normally account for 25% to 45% of the License & Permits category, for FY2020, these fees represented 31.7% of the total.

Annual new privately owned housing units started in the U.S. increased from 1.29 million in 2019 to 1.38 million units in 2020, up 6.9%.

Inflation, as measured by the US Consumer Price Index (CPI), decreased from a yearly inflation rate of 2.3% in December 2019 to 1.4% in December 2020. On January 29, 2021, US News reported "*From the worst decline in GDP since World War II to the best housing market in 14 years, the economy made all kinds of history. It was the worst of times but also the best of times. With the release of fourth quarter and full-year gross domestic product numbers this week, the full picture of what the coronavirus did to the economy in 2020 is now clear. COVID-19 devastated the economy in the spring, sending the unemployment rate soaring to 14.7% in April. Entire industries were set back years, with more than 670,000 hotel industry operation jobs and nearly 4 million hospitality jobs lost alone. Not to mention more than 431,000 lives lost in America due to the virus. But – and it is a big but – the overall economic damage was less than experts had predicted early on in the pandemic, and now forecasters are looking for a pretty good rebound in 2021.*"
The Fed lowered the Federal Funds rate in April in 2020. The Federal Funds rate began the year with a 1.50% to 1.75% range and ended at 0.0% to 0.25%.

Expenses:

The Village's Governmental Activities expenses decreased $845,777 (5.6%) from the prior year; $15.2 million in FY2019 compared to $14.3 million in FY2020. Noteworthy item for FY2020 is the Village continues to remain "debt free" of bank loans.

The Village continued its approach of fully funding pension obligations based on both short-term costs and long-term actuarial analysis. Typically, municipal governments' pension funding levels fluctuate year to year. Investment returns have a huge impact on portfolio values for all pension funds. The Illinois Municipal Retirement Fund (IMRF) actuary utilizes a "smoothing technique" to delay and soften the effect to the employer rate. IMRF reported "IMRF earned a 2020 investment return of 14.69% after portfolio management fees, doubling its assumed rate of return of 7.25% for the year. IMRF assets grew from $44.8 billion at the beginning of 2020 to about $50 billion at the end of 2020, a gain of about $5.2 billion for the year. The 2020 investment return increased IMRF's funded status on a market basis from 90.7% on December 31, 2019, to 93.6% on December 31, 2020. Lincolnshire's FY2019 employer contribution rate of 13.5% increased to 15.77% in FY2020. This 16.9% rate increase resulted in an overall $85,695 (21.1%) increase in employer contributions. In response to investment gains, Lincolnshire's employer IMRF contribution rates will decrease from 15.77 percent of payroll in 2020 to 14.59 percent of payroll in 2021.

Annual Police Pension costs, also known as "Employer Contributions" are actuarially calculated based on Lincolnshire's Police Pension Funding Policy. Assumptions include salary, benefit costs, and investment returns. In 2020, the Village fell short of the financial obligations by $120,636 as presented by an independent actuary. Reason being, the Village delayed acceptance of the actuary assumption recommendations for one year to maintain conformance with the approved Funding Policy for Lincolnshire Police Pension Fun. The 1/1/2019 Actuarial Valuation reported the Recommended Employer Contribution was $1,030,790; while actual contributions deposited in 2020 amounted to $910,154. The Village levied this amount in December 2019, collected it in 2020, and direct deposited into the Police Pension Fund. The Village's contribution payments were up $57,229 (6.71%) from FY2019 Actual employer contribution. Pension funding specifics can be found in Note 3 on pages 66-70.

Business-Type Activities

Business-type activities decreased the Village's net position by $1,379,641. The Water & Sewer Fund is the only business-type activity, classified as a proprietary fund, operated by the Village. The fund is made up of an "operations" component and a "capital improvement" component. The Fund's operating income before depreciation was -$242,155 for 2020.

Revenues:

Operating revenues increased $7,365 (.2%); from $4,831,396 in FY2019 compared to $4,838,761 in FY2020. Revenues for the Water & Sewer fund are derived largely from water sales. For FY2020, water revenues were up largely due to 5.1% water rate increase related to Highland Park rate increase.

With the exception of a couple very small subdivisions under construction, water customer accounts are up 24 (0.92%). 2020 customer account increases came primarily from the addition units located in the Lincolnshire Trails and Manors of Whytegate subdivisions. The year ended with 2,637 units; with 2,381 residential and 256 commercial accounts. Lincolnshire's water and sewer rates increased 5.1%.

As a result of the Federal Funds rate dropping 86%, the investment income declined $8,201 (-70.5%) for the current year for the Water & Sewer Fund.

Expenses:

Depreciation for the Water & Sewer system increased by $47,917 (2.9%) to $1,717,879 for 2020.

The Village reports the Water/Sewer and Internal Service Fund (Governmental Activities) as proprietary funds. The Water/Sewer Fund is considered a "major fund." Water is purchased from the City of Highland Park at a rate of $3.69 per thousand gallons. Highland Park imposed an increase of 13.4% effective January 1, 2020. Wastewater treatment service is provided under a contractual agreement with Lake County Public Works at a rate of $4.43 (effective December 1, 2020) per thousand gallons of water usage, up 8.6% from 2019. The Village charges all municipal customers based on tiered structure; a higher usage will result in a higher rate. The minimum rate of $13.32 combined water & sewer rate per 1,000 gallons increases to a maximum $16.89 combined rate per 1,000 gallons for the consumer using 1.1 million gallons or more per month. The spread between the purchase and sale rates is intended to finance the operations of the municipal waterworks and sewage system, including, but not limited to labor costs, supplies and miscellaneous infrastructure repairs. The 2007 sanitary sewer treatment agreement between Lake County and the Village provides for a "summer sewer credit" during the summer period. The premise is that all water used during the summer does not return through the sanitary sewer system. The resident's summer sanitary sewer charge does not exceed 10% above their average non-summer period (September to May).

The proprietary funds' operating expenses increased $907,917 (14.2%) from the prior year; $6,392,009 in FY2019 compared to $7,299,926 in FY2020. This increase is largely due to a increase in water usage resulting in more water purchases and sanitary sewer treatment costs.

The Water and Sewer Fund operating expenses were 2.7% or $131,664 below final budget; Water and Sewer Administration up 29.8% and Operations expenses 6.6% below final budget. The combined FY2020 water purchases and sanitary sewer charges were up 11.7% compared to FY2019.

As noted previously above, business-type activities are intended to be self-sufficient, that is, charges for services should be adequate to cover operating costs. Historically, depreciation expense was not recognized as an operating expense. Beginning 2018 depreciation is recognized as an operating expense. Comparative operating information for the operations section of the business-type fund for the last four fiscal years ending December 31, are presented below.

UTILITY OPERATING RESULTS FROM FY2017 TO FY2020				
	2017	2018	2019	2020
Water: Rate per 1,000 gallons	$5.38	$5.65	$6.50	$6.83
Sewer: Rate per 1,000 gallons	$6.06	$6.06	$6.18	$6.49
Operating Revenue	$4,834,958	$4,716,333	$4,831,396	$4,838,761
Operating Expenses (includes depreciation)	$6,125,355	$5,924,162	$5,880,021	$6,798,795

As part of the FY2020 budget, the Village increased its water usage fees 5.1% and sanitary sewer fees 5.0%. These rates became effective for services provided after December 02, 2019 (February 1, 2020 billing date).

Rate increases from the water supplier have become a regular occurrence, while sanitary sewer charges increases are less frequent. For budget year 2020, a water rate increase was instituted to absorb a proposed rate increase by the Village's water supplier. The General Fund subsidized $270,902 to Water Sewer Improvements. In FY2020, the combined cost of water and sanitary sewer treatment was 45.0% of total operating expenses.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

The Governmental Accounting Standards Board prepares standards to be followed by units of local government. Standard 54 has significantly changed the reporting of Fund Balance. The Village of Lincolnshire implemented Standard 54 effective FY11.

New definitions were created by Standard 54:

Fund Balance – the difference between assets and liabilities in a Governmental Fund.

Nonspendable Fund Balance – the portion of a Governmental Fund's net position not available to be spent, either short term or long term, in either form (e.g. prepaid assets, inventories, short-term receivables) or through legal restrictions (i.e., principal of an endowment).

Restricted Fund Balance – the portion of a Governmental Fund's fund balance subject to external enforceable legal purpose restrictions as to what the fund balance can be spent on.

Committed Fund Balance – the portion of a Governmental Fund's fund balance limited with self-imposed constraints or limitations that have been placed at the highest level of decision making authority.

Assigned Fund Balance – the portion of a Governmental Fund's fund balance to denote management's intended use of resources.

Unassigned Fund Balance – available expendable financial resources in a governmental fund not the object of tentative management plan (i.e., assigned). Positive unassigned fund balance can only be reported in the General Fund.

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 financing requirements. In particular, Unassigned Fund Balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As previously discussed, *governmental funds* are reported in the fund statement with its focus on the near-term inflows, outflows and of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, the "unrestricted" classification of the fund balance serves as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of December 31, 2020 the Village's governmental fund balance reported a combined ending fund balance of $20.47 million. This was a decrease of $1.8 million (-8.15%) compared to the prior fiscal year. The largest contributing factors relate to Rooms and Admission Tax ($1,218,119), Sales Tax ($457,741), Home Rule Sales Tax ($394,869), Food and Beverage Tax ($351,085) all coming in under budget. Revenues coming in over budget include: Real Estate Transfer Tax ($252,844), Interest Income ($150,682), State Use Tax ($94,853) and State Income Tax ($41,126).

The General Fund's 29.7% or $6.77 million Unassigned Fund Balance is a modest portion of the $20.47 million governmental fund balance. FY2020 represents the fourth year the Village restricted Governmental Fund Balance; $8.1 million or 39.6%, for General Capital Projects. In 2004, the Village agreed to be a "conduit" to the Sedgebrook Special Service Area debt service resulting in the creation of the SSA Debt Service Fund. The $2.21 million restricted Fund Balance of the SSA Debt Service Fund makes it the third largest portion of the governmental fund balance at 10.8%. The fund balances classified as "non-spendable" and "restricted" are $1,147,215 and $4,999,882 respectively. These balances are not available for discretionary spending because they have already been spent or are restricted for a variety of purposes.

The General Fund serves as the Village's primary operating fund and the largest source of day-to-day municipal service delivery. The net change to the General Fund's fund balance was a decrease of $314,950 or -4.1%, from the previous year. Prior to FY2014, capital projects were paid from the General Fund's unassigned fund balance in excess of the target balance. Beginning FY2014, the General Capital Projects Fund was created, via a General Fund transfer. In FY2020, the General Fund transfer to General Capital Projects Fund was $580,381.

The Village calculates a fund balance ratio, taking into account only the current year's operating expenditures including debt service, but excluding expenditures classified as "capital." The unassigned fund balance policy is 75% of the current year's operating expenses. An annual transfer of funds exceeding the policy occurs in December of each year. In the event the General Fund's estimated year-end falls below the 75% policy, a transfer of General Capital Projects' restricted fund balance will be transferred back to the General Fund. Annually on 1/1 following the close of a fiscal year, the chart below is updated to serve as a financial indicator for Village purposes.

A comparison of the FY2020 budget revenue reveals total General Fund revenues were 14.4% below FY2020 Final Budget or -$1,850,872. Total actual expenditures $10.45 million were 9.8% below $11.5 million budget or $1,021,855.

GENERAL OPERATING FUND BALANCE			
FISCAL YEAR	TOTAL FUND BALANCE	OPERATING EXPENSES (EXCLUDING CAPITAL)	FUND BALANCE AS % OF OPER. EXP.
1/1/2017*	$6,878,959	$9,245,277	74.4%
1/1/2018*	$7,011,644	$8,683,038	80.8%
1/1/2019*	$6,999,280	$9,305,070	75.2%
1/1/2020*	$7,680,149	$1,052,744	76.9%
1/1/2021*	$7,130,475	$9,507,300	75.0%

* Excludes Non-spendable Fund Balance – Prepaid Items and Restricted Fund Balance related to Public Safety totaling $205,661. Includes $1,052,744 Land Held for Resale.

In addition to the General Fund being classified as a "major fund," the Governmental Accounting Standards Board ("GASB") guidelines indicate the General Capital Projects Fund and the Special Service Area Debt Service Fund are also considered "major" funds in fiscal year 2020.

The total combined fund balance of the three non-major governmental funds decreased $313,421 from $3.03 million to $2.72 million. A notable decrease occurred in the Park Development Fund ($760,074); while Motor Fuel Tax Fund increased $443,555; as well as, Fraud Alcohol Drug Enforcement Fund ($3,098) as noted in the Combining Statement of Revenues, Expenditures and Changes in Fund Balances for Non-major Governmental Funds.

Proprietary Funds

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

Net Position of the Water & Sewer Fund decreased $1,379,641 (-3.92%) from $35.175 million for FY2019 to $33.795 million in FY2020. The unrestricted net position declined $69,049 (-7.02%) for FY2020. The Village intends to operate the Water/Sewer Operating Fund at a breakeven rate while maintaining a cash reserve equal to three months of operating expenses. Excess revenue will be transferred to Water/ Sewer Improvement Fund for planned infrastructure projects.

General Fund Budgetary Highlights

On March 9, 2020, the Village Board approved the annual appropriations ordinance for the Village of Lincolnshire for Fiscal Year 2020. The annual Appropriation Ordinance provides the formal authority for the expenditure of public funds. Historically, the Village has passed an Appropriation Ordinance where the operating appropriated line items are 110% of approved operating budget. The budget document is the spending plan for the Village, and the Appropriation Ordinance provides the formal spending authority. A more formal and legal approach to addressing those expenditures that exceed the original Appropriation Ordinance is for the Village Board to consider and pass a Supplemental Appropriation Ordinance prior to the close of the fiscal Year. The Village did not need to pass a Supplemental Appropriation ordinance to amend the original Appropriation for FY2020. The Village's "Level of Budgetary Control Policy" requires departmental expenditures that exceed the budget by 10 percent or five thousand dollars be brought to the Village Board for review and approval.

The following chart reflects the condensed Budgetary Comparison Schedule (in millions):

	Final Budget	Actual	Variance
General Fund:			
Revenues:			
Property Tax	$1.697	1.581	(0.116)
Other Taxes	9.304	7.035	(2.269)
Licenses and Permits	0.814	0.631	(0.183)
Fines and Forfeitures	0.234	0.233	(0.001)
Intergovernmental	0.458	1.046	0.588
Investment Income	0.240	0.391	0.151
Miscellaneous	0.087	0.068	(0.020)
TOTAL REVENUES	$12.834	10.983	(1.851)
Expenditures:			
Current:			
General Government	$2.368	2.241	(0.127)
Public Safety	4.553	4.444	(0.110)
Comm & Econ Dev.	1.257	.850	(0.407)
Public Works	1.821	1.656	(0.165)
Parks & Open Spaces	1.469	1,256	(0.213)
Debt Service	0.000	0.000	0.000
TOTAL EXPENDITURES	$11.469	$10.447	($0.122)

The Village Board, as part of the 2020 budget process, determined it was in the best interests of the Village to continue appropriating a portion of Police Protection Services, FICA Expenses, and IMRF Contributions separate from the General Corporate Fund. This is necessary to provide the opportunity to levy a property tax for police protection, FICA expenditures and IMRF Contributions. The Village did not have a Supplemental Appropriation for 2020.

Since many of the Village's expenses can be impacted by factors not controlled by the Village, such as the 2020 COVID-19 worldwide pandemic, weather and economy, budget line items are best estimates based on past experience. Although the 2020 General Fund expenditures were below the appropriated amounts, several line items exceeding the budget by 5%, with an overage greater than $10,000. These items include: administration regular salaries $14,385 (6.0%) related to increase to intern's work hours; as well as administration IMRF contributions $9,619 (25.4%); police professional services- dispatch services $187,922 and E911 purchases/ reserves $33,793 related to unexpected Deerfield Bannockburn Lincolnshire JETSB reporting requirements.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Governmental-Type Activities

Capital asset purchases and improvements during the current fiscal year included the following:

- Construction in Progress
  - Bikepath Whytegate Park to Daniel Wright
  - Park Entry sign design
  - Queensway storm line replacement
  - IL Transportation Enhancement Project at Riverwoods Road & Westminster Way

- Per the Village's replacement schedule the following items were disposed of:
  - Leaf machine 14 cubic yard
  - Toro Workman MDX utility cart
  - Hydraulic core aerator

- Items purchased / added included
  - 2014 Ford Focus (confiscated vehicle) $10,000
  - Brine Maker $68,796
  - Digital scan equipment$19,960
  - Sure-Trac trailer $7,089
  - John Deere Gator $18,569
  - John Deere Gator TS $8,833
  - John Deere 1200A utility cart $10,419

- Building and parking improvements-
  - Village Hall brick wall and capstone replacement $193,321
  - Public Works parking lot reconstruction $137,907
  - North Park Lean To $42,261
  - North Park parking lot $352,380

- Easements- none

- Land- none

- Land Improvements- none

• Parks-
  Wytegate Park Tennis Court resurfacing $107,580
  Rivershire Park Fence $55,845

• No Right of Way purchases or donated to the Village in 2020

• No new Street dedicated to the Village

• Storm sewers
  Lincolnshire Drive replacement 8 inch $132,929

• Bike Paths- none

• No new Street lights

• No new Traffic Control Signals

• Pedestrian Bridge

Business-Type Activities

The Village's Net Investment in Capital Assets, net of accumulated depreciation, for business-type capital assets, as of the fiscal year end was $32,880,933.

Capital asset events during the current fiscal year included the following:

• Per the replacement schedule Public Works Utility Division no disposals in 2020

• Public Works purchased/ replaced:
  Supervisory Control and Data Acquisition (SCADA) replacement $223,400

• Water mains added- none

• Sanitary Sewer
  $110,114 lining installation: Londonderry, Robinhood Court, Reliance Lane, Regent Lane, and Canterbury Road. 1,463 linear ft of 8 inch and 1991 linear ft of 12 inch

• Construction in Progress
  Riverwoods Road (Cross Town Water Main Project) water main replacement design $135,633

Debt

The Village debt consists of one municipal bond obligation related to Special Service Area (SSA) project. At this time, the Village does not have debt in the form of bank loans with direct responsibility for paying.

In FY2004-05 the Village issued $15 million in debt for a Special Service Area development project. The funds from this bond were used to construct the infrastructure integral to the Sedgebrook retirement community. Financing of this debt is through property taxes dedicated exclusively to the Special Service Area.

At the end of the fiscal year, the Village's debt, SSA related, amounted to $10.6 million compared to $11.1 million last year - a decline of 4.2% - as shown in the following table.

OUTSTANDING DEBT AT YEAR END DECEMBER 31						
Type of Debt	Government Activities		Business Activities		Totals	
	2019	2020	2019	2020	2019	2020
Bank Loans Village	$ 0	$ 0	$0	$0	$0	$ 0
Bond Issue-SSA	$11,105,000	$10,635,000	$0	$0	$11,105,000	$10,635,000
	$11,105,000	$10,635,000	$0	$0	$11,105,000	$10,635,000

The Village is a home rule community, and is; therefore, not limited by State Statute pertaining to debt limit. The Village's outstanding debt (excluding the SSA debt) represents 0.0% of its EAV. Briefly stated, the Village is "debt free". Detailed information on the Village's long-term debt activity can be found in the Long-Term Debt Section in the footnotes.

Bond Ratings

The Village normally finances its infrastructure with bank-qualified tax-exempt bank loans. Although the Village has not sought a formal credit rating in several years, the Village's credit status is considered to be comparable to a double A credit rating according to bank officials who have solicited for Village's loans.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Lincolnshire is recognized as a desirable community in the Chicago area for residents and businesses. The Village is home to a number of prominent corporate headquarters, first-class hotels, restaurants, retailers and entertainment venues. Businesses choose to locate in Lincolnshire due, in part, to its close proximity to highways/arterials, O'Hare Airport, relatively low taxes, high daytime population, award-winning public schools and business-friendly and supportive local government. The Lincolnshire Marriott Resort, with its meeting facilities, championship golf course, and live theater, is a major attraction for the Village. The Village is well-positioned to attract new businesses and diversify its economic base while maintaining its small-town atmosphere and exceptional quality of life.

The Village's commercial occupancy rate for its largest retail centers for the first quarter of 2020 and 2019 was as follows: Village Green (2021- 95% and 2020- 90%); Lincolnshire Commons (2021- 82%; 2020 - 84%); and City Park (2021– 55%; 2020 - 54%). The overall retail occupancy in the Village was 60% in the first quarter of 2021 versus 72% in the first quarter of 2020.

Lincolnshire office occupancy rate was 80% in the first quarter of 2021, compared to 78% in the first quarter of 2020. Lincolnshire industrial occupancy rate was 95% in the first quarter of 2021 and 97% in the first quarter of 2020.

Below is an overview of commercial and industrial activity in the Village as of December 2020:

- TJS Lincolnshire Property LLC (TSJ), owner of the 43-acre property formerly occupied by the Aon Hewitt Corporate headquarters, received preliminary approvals for a large, full-service, 24/7 recreation, health and fitness facility known as **The St. James** in March of 2020. The timeline for obtaining final approvals has been impacted by the COVID-19 pandemic. The owners plan to file a request with the Village Board to extend the approvals for another year, until March 2022 as their preliminary approvals are set to expire in March 2021. Separate zoning approvals will be necessary for other recreational, entertainment, and hospitality uses adjacent to The St. James development.

- **Probat Burns**, a commercial coffee roasting equipment manufacturer, moved its corporate headquarters into a portion of the recently completed 186,000-square-foot building on a 10-acre vacant site at 325 Marriott Drive, southwest corner of Milwaukee Avenue and Marriott Drive in May 2020. The rest of the building is marketed for lease.

- Pulte Homes continued completed construction and occupancy of an 85-unit townhome development known as **Camberley Club**. It is located on a 20-acre property at the southeast corner of Milwaukee Avenue and Riverside Road, north of Sedgebrook Retirement Community.

- Taylor Morrison, the second developer of **Lincolnshire Trails Subdivision,** transferred the ownership to M/I Homes. The development will consist of 44 townhomes located on a 20-acre property on the north side of Riverside Road, northeast of Sedgebrook and Camberley Club. As of December 2020, 32 permits and 20 certificates of occupancy were issued.

- The developer Arthur J. Greene Construction continued marketing their 15-lot single-family home subdivision known as **Manors of Whytegate** on the former Mons homestead at 1700 Riverwoods Road, north of Half Day Road. As of December 2020, six permits and four certificates of occupancy were issued.

- **The Institute of Oral Maxillofacial and Implant Surgery and Dermatology & Aesthetics** located in a brand new 5,000-square-foot medical office building at 231 Olde Half Day Road, west of Milwaukee Avenue in October 2020. The 0.5-acre property previously housed an office building which has been demolished.

- Construction on a 113-room **Home2Suites** extended stay hotel by Hilton is in progress on the 2-acre vacant site at 350 Knightsbridge Parkway, Lincolnshire Corporate Center. Completion is scheduled for May 2021.

- **Daniel Wright Junior High School**, 1700 Riverwoods Road, completed a 1,800-square-foot building addition to create additional classroom and lab space in August 2020.

The following ten (10) businesses opened in Lincolnshire in 2020:

- **Agile Premium Finance**, a division of Valley National Bank, opened an office at 475 Half Day Road, Millbrook Office Center (7,000 sq. ft.)

- **Amplify**, a curriculum and assessment company, located at 1 Overlook Point, Lincolnshire Corporate Center (3,200 sq. ft.)

- **City Flatts Group** located at 250 Parkway Drive, CityPark Center (100 sq. ft.)

- **Fat Rosie's Taco & Tequila Bar** located at 940 Milwaukee Avenue, Lincolnshire Commons Center (5,300 sq. ft.)

- **Pear Tree Catering** located at 505 Bond Street, Lincolnshire Business Center (20,000 sq. ft.)

- **Probat,** a commercial roasting company, located its headquarters at 325 Marriott Drive, Lincolnshire Corporate Center (110,000 sq. ft.)

- **Replient**, a software development firm, located at 105 Schelter Road (1,300 sq. ft.)

- **Selected Independent Funeral Homes**, a trade association, located at 1 Overlook Point, Lincolnshire Corporate Center (6,000 sq. ft.)

- **The Institute of Dermatology & Aesthetics** opened at 231 Olde Half Day Road (5,000 sq. ft.)

- **The Institute of Oral Maxillofacial and Implant Surgery** opened at 231 Olde Half Day Road (5,000 sq. ft.)

The Village diligently monitors all major tax and non-tax revenues. This includes following legislative briefings reporting the State of Illinois may reduce taxes shared with local governments in an attempt to solve its fiscal problems. Those plans could potentially have a significant impact on the Village's fiscal status.

According to the Village's Fund Balance, the Village ended FY2020 in less favorable financial position as it did at the start of the year. Net change in the General Corporate Fund declined $314,950. The real estate market had a very good year in FY2020. Lincolnshire's real estate sales volume jumped $51,603,089 (45.5%) over FY2019. Specifically, commercial $50,116,394; single family $8,330,784; and land $1,335,315.

Real estate transfer tax stamp revenue increased 48.1%; from $340,446 in FY2019 to $504,247 in FY2020. Major sales recorded in FY2020 include- 577 Aptakisic Rd- Oap/Ver Lincolnshire IL LLC, 600 Knightsbridge Pkwy- Bcore Corridor Chicago LLC, 475 Bond St- Henderson 303 LLC, 225 Milwaukee Ave- Black Water Meadows LLC, 225 Milwaukee Ave- Mrk Lincolnshire LLC and Preh Lincolnshire LLC.

FY 2020	Real Estate Transfer Tax Stamps Sold	Real Estate Transfer Tax Stamp Revenue	Real Estate Sales Value
Single Family	110	$ 184,681	$ 61,546,813
Condo Units	24	$ 21,030	$ 7,008,750
Townhomes	34	$ 45,015	$ 14,999,912
Land	2	$ 10,287	$ 3,428,815
Commercial	7	$ 243,234	$ 78,076,795
TOTALS	177	$ 504,247	$ 165,061,085

- The Lincolnshire equalized assessed valuation (EAV) decreased after increasing for six years in a row. The 2020 EAV dropped 1.40% or $1.6 million compared to 2019. The 2020 EAV (which is used for the property tax collected in Fiscal Year 2021) was $657,767,329. The last 10 years of EAV history can be found below.

Tax Year	Collection Year	EAV
2011	2012	$604,496,224
2012	2013	$562,195,221
2013	2014	$561,725,434
2014	2015	$563,549,256
2015	2016	$586,329,751
2016	2017	$625,649,053
2017	2018	$644,309,622
2018	2019	$659,376,155
2019	2020	$667,097,000
2020	2021	$657,767,329

- The unemployment rate (not seasonally adjusted) for December 2020; according to online Reno Gazette Journal was 6.3% in Lake County. The rate in the State of Illinois for the same time period was 8.0% and the U.S. rate was 6.7%.

- According to GIS Consortium, prepared by Esri, Lincolnshire's 2020 per capita income was $87,158, up 2.7%; while the average household income grew 1.5% to $199,501.

BUDGET HIGHLIGHTS FOR FISCAL YEAR 2021.

General Fund

Five types of revenue sources account for 66.0% of the total projected revenues for the FY21 General Fund. These sources and their respective budget increases/ -decreases over FY20 are as follows: Sales Tax (-15.1%), Utility Tax (0.0%), Telecommunication Tax (-2.9%) Rooms & Admissions Tax (-45.5%), and Property Tax (3.6%). Given the impact of the COVID-19 pandemic and related revenue loss, the Village Board is closely monitoring economic conditions. The 2021 budget reflects a slight increase in the property tax rate; as well as increases in charges for water and sewer service. All other tax percentages are to remain the same in 2021 as they were in 2020.

Excluding transfers and debt service, the General Fund Expense budget increased $59,630 (.5%) from $11.26 million in FY2020 to $11.32 million in FY21. Notable expenditure increases include: All costs associated with the dispatch of E911 police services are now being reimbursed fully by the Deerfield Bannockburn Lincolnshire Joint Emergency Telephone System Board (JETSB); specifically police dispatch services $194,100 and E911 purchases $214,100; Police Pension Retirement $118,630; and medical premiums $130,300. The largest decreases involve the elimination of contract services for leaf collection $141,000; police overtime $65,000; building & fire consultant review fees $50,000; CED outside consultant fees $42,000; parks part time wages $41,000; and, miscellaneous computer equipment purchases $40,000. The General Fund FY21 budget anticipates a $3,772,190 transfer in from General Capital Fund; and a $4,079,470 transfer out to the Water/ Sewer Improvement Fund.

Major Changes in Budget format for 2021

- The Fiscal Year 2020 Budget contemplates implementation of $3,429,000 in General Capital improvement projects. The Village continues its commitment to capital improvements to the Village infrastructure.

- Lincolnshire dissolved the E911 Fund prior to the close of FY2018. The surcharge revenue is no longer directly distributed from the State of Illinois to the Village of Lincolnshire. Under the Emergency Telephone System Act, Wireless Emergency Telephone Safety Act, and Wireless Prepaid Act; specifically the establishment of a joint emergency telecommunication safety board, the revenues are diverted to the Illinois State Police, and from there to the Deerfield Communication Center, less a 2% State of Illinois administrative fee. To properly report the JETSB activity, two line items have been added to the 2021 Budget.

Water/Sewer Fund

Effective 1/1/2021 the Village increased the average residential water and sewer rates 5.05% (Water 5.08% and Sewer 5.02%). Revenues are based upon a five-year average of water sales (475 million gallons). No further changes have been made to the rate structure; specifically the minimum charges, senior discounts, and the Out of Village rates.

The unrestricted Net Position includes Water/ Sewer Operations (Fund 02) and Water/ Sewer Improvements (Fund 07). At the start of FY2021, the Water/Sewer unrestricted Net Position ($914,473) was 16.7% of the FY2021 operating budget expenses; and 20.0% when the Transfer Out to Water/ Sewer Improvement is removed from the expenditures. The policy is to maintain 20% or at least two months in reserve. The FY21 Budget meets the Villages reserve policy for the Water & Sewer Fund.

Major Changes in Budget for 2021

The Water Sewer Improvement Fund will receive transfers in from the General Fund $4,079,470 and Water Sewer Operation Fund $914,750. The significant transfer is related to the planned Cross Town Water Main Phase 3 and Phase 4 projects.

Water/Sewer Operating expenses decreased 4.38% with no changes to the staffing levels. The vast majority of this increase relates to water purchase and contractual service costs.

Highland Park did not increase their fees for in FY21, the last increase (5%) was effective January 1, 2020. Lake County increased its charge for sanitary sewer processing services 4.2% as of December 1, 2020. The FY21 Budget reflects combined residential water and sewer rate with an increase from $13.32 to $13.98 or a $0.66 per 1,000 gallon of water purchased increase.

Water & Sewer Fund Administrative costs, less transfers to the Water & Sewer Improvement Funds, are to increase 3.7%. Water & Sewer Operation costs are to decrease 5.4% for FY21.

Water and Sewer Improvement Fund- Staff projects $50,000 in direct revenues from connection fees. This amount represents connection fees due to continued residential construction related to the Lincolnshire Trails and Manors of Whytegate developments. Connection fees related to pending commercial developments yet to begin construction are not reflected as revenues for 2021.

Water and Sewer capital improvements total $4,571,000. These expenditures include:

- Water main replacement- Riverwoods Road ($4,095,000)
- Variable Speed Motor Drive replacement ($90,000)
- Miscellaneous Repairs ($150,000)
- Engineering Services- Sanitary Rehab ($105,000)
- Sanitary Sewer Lining Repairs ($105,000)

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Village's finances, comply with finance-related laws and regulations and demonstrate the Village's commitment to public accountability.

Questions about this report or requests for additional information can be obtained by contacting the Village's Finance Director at mpeterson@lincolnshireil.gov or accessing the Village's website at www.lincolnshireil.gov. A copy of this Comprehensive Annual Financial Report (CAFR) can be found on the website.

	Governmental Activities	Business-Type Activities	Total
Assets and Deferred Outflows of Resources			
Assets			
Cash and cash equivalents	$ 3,216,459	$ 1,401,140	$ 4,617,599
Investments	17,467,055	426,888	17,893,943
Receivables (net):			
Property taxes	2,791,625	-	2,791,625
Other taxes	1,227,879	-	1,227,879
Accounts	85,167	649,701	734,868
Accrued interest	18,110	-	18,110
Internal balances	(272,153)	272,153	-
Prepaid items	100,262	17,360	117,622
Deposits	205,661	-	205,661
Land held for resale	1,052,744	-	1,052,744
Capital assets:			
Capital assets not being depreciated	44,061,351	242,466	44,303,817
Capital assets (net of accumulated depreciation)	24,136,297	32,638,467	56,774,764
Total assets	94,090,457	35,648,175	129,738,632
Deferred Outflows of Resources			
Pension items - IMRF	735,413	209,079	944,492
Pension items - police pension	985,990	-	985,990
Total deferred outflows of resources	1,721,403	209,079	1,930,482

	Governmental Activities	Business-Type Activities	Total
Liabilities, Deferred inflows of Resources and Net Position			
Liabilities			
Accounts payable	$ 1,286,570	$ 801,950	$ 2,088,520
Accrued payroll	75,027	9,738	84,765
Deposits payable	1,151,215	-	1,151,215
Accrued interest payable	221,562	-	221,562
Unearned revenues	15,559	-	15,559
Noncurrent liabilities:			
Due within one year	756,840	33,611	790,451
Due in more than one year	18,519,306	909,634	19,428,940
Total liabilities	22,026,079	1,754,933	23,781,012
Deferred Inflows of Resources			
Property taxes levied for future periods	2,791,625	-	2,791,625
Pension items - IMRF	1,079,524	306,913	1,386,437
Pension items - police pension	2,398,206	-	2,398,206
Total deferred inflows of resources	6,269,355	306,913	6,576,268
Net Position			
Net investment in capital assets	68,197,648	32,880,933	101,078,581
Restricted for:			
Debt service	2,212,913	-	2,212,913
Maintenance of roadways	614,616	-	614,616
Public safety	272,085	-	272,085
Park improvements	1,900,268	-	1,900,268
Unrestricted	(5,681,104)	914,475	(4,766,629)
Total net position	$ 67,516,426	$ 33,795,408	$101,311,834

See notes to financial statements

Village of Lincolnshire

Statement of Activities
Year Ended December 31, 2020

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Governmental Activities	Net (Expenses) Revenues and Changes in Net Position: Business-Type Activities	Net (Expenses) Revenues and Changes in Net Position: Total
Governmental activities:						
General government	$ 2,701,606	$ 293,305	$ -	$ (2,408,301)	$ -	$ (2,408,301)
Public safety	4,162,254	932,651	351,635	(2,877,968)	-	(2,877,968)
Community and economic development	944,145	289,008	-	(655,137)	-	(655,137)
Public works	3,598,874	19,200	485,966	(3,093,708)	-	(3,093,708)
Parks and open spaces	2,270,981	30,403	224,727	(2,015,851)	-	(2,015,851)
Interest and fiscal charges	669,583	-	-	(669,583)	-	(669,583)
Total governmental activities	14,347,443	1,564,567	1,062,328	(11,720,548)	-	(11,720,548)
Business-type activities:						
Water and sewer	6,798,795	5,144,814	-	-	(1,653,981)	(1,653,981)
Total business-type activities	6,798,795	5,144,814	-	-	(1,653,981)	(1,653,981)
Total	$ 21,146,238	$ 6,709,381	$ 1,062,328	(11,720,548)	(1,653,981)	(13,374,529)
General Revenues						
Taxes						
Property				2,734,390	-	2,734,390
Sales				1,242,259	-	1,242,259
Local use				324,853	-	324,853
Utility				1,150,147	-	1,150,147
Telecommunications				953,406	-	953,406
Food and beverage				388,915	-	388,915
Room and admissions				581,881	-	581,881
Real estate transfer				502,844	-	502,844
Home rule sales				1,089,131	-	1,089,131
Income tax				801,126	-	801,126
Investment income				347,192	3,438	350,630
Miscellaneous				199,739	-	199,739
Total general revenues				10,315,883	3,438	10,319,321
Transfers				(270,902)	270,902	-
Change in net position				(1,675,567)	(1,379,641)	(3,055,208)
Net Position, Beginning				69,191,993	35,175,049	104,367,042
Net Position, Ending				$ 67,516,426	$ 33,795,408	$ 101,311,834

See notes to financial statements

Village of Lincolnshire

Balance Sheet
Governmental Funds
December 31, 2020

	General Corporate Fund	Special Service Area Debt Service Fund	General Capital Projects Fund	Nonmajor Governmental Funds	Total
Assets					
Cash and cash equivalents	$ 297,459	$ 899,758	$ 260,931	$ 1,636,416	$ 3,094,564
Investments	6,430,194	1,313,155	8,430,294	1,293,412	17,467,055
Receivables:					
Property taxes	1,644,438	1,147,187	-	-	2,791,625
Other taxes	1,203,729	-	-	24,150	1,227,879
Accounts	47,114	-	37,900	153	85,167
Accrued interest	18,110	-	-	-	18,110
Prepaid items	94,471	-	-	-	94,471
Deposits	205,661	-	-	-	205,661
Land held for resale	1,052,744	-	-	-	1,052,744
Total assets	$ 10,993,920	$ 3,360,100	$ 8,729,125	$ 2,954,131	$ 26,037,276
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	$ 407,681	$ -	$ 626,366	$ 231,353	$ 1,265,400
Accrued payroll	72,267	-	-	-	72,267
Deposits payable	1,151,215	-	-	-	1,151,215
Due to other funds	272,153	-	-	-	272,153
Unearned revenues	15,559	-	-	-	15,559
Total liabilities	1,918,875	-	626,366	231,353	2,776,594
Deferred Inflows of Resources					
Property taxes levied for a future period	1,644,438	1,147,187	-	-	2,791,625
Total deferred inflows of resources	1,644,438	1,147,187	-	-	2,791,625
Fund Balances					
Nonspendable for prepaid items	94,471	-	-	-	94,471
Nonspendable for land held for resale	1,052,744	-	-	-	1,052,744
Restricted for debt service purposes	-	2,212,913	-	-	2,212,913
Restricted for maintenance of roadways	-	-	-	614,616	614,616
Restricted for public safety	205,661	-	-	66,424	272,085
Restricted for park improvements	-	-	-	1,900,268	1,900,268
Assigned for capital projects	-	-	8,102,759	141,470	8,244,229
Unassigned fund balance	6,077,731	-	-	-	6,077,731
Total fund balances	7,430,607	2,212,913	8,102,759	2,722,778	20,469,057
Total liabilities, deferred inflows of resources and fund balances	$ 10,993,920	$ 3,360,100	$ 8,729,125	$ 2,954,131	$ 26,037,276

See notes to financial statements

Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2020

Total Fund Balances, Governmental Funds	$ 20,469,057
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.	68,197,648
Accrued interest on long-term liabilities is shown as a liability on the statement of net position.	(221,562)
Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	1,721,403
Less amount reported in the internal service fund below.	(50,010)
Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	(3,477,730)
Less amount reported in the internal service fund below.	73,412
The compensated absences liability for the Village is not due and payable in the current period and, therefore, not reported in the governmental funds.	(261,840)
Less amount reported in the internal service fund below.	2,838
Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds.	
SSA bonds payable	(10,635,000)
Net pension liability - Police Pension	(3,815,078)
Net pension liability - Illinois Municipal Retirement Fund	(2,052,037)
Total OPEB liability	(2,512,191)
Less internal service fund long-term liabilities	218,752
Internal service funds are reported in the statement of net position as governmental activities.	(141,236)
Net Position of Governmental Activities	$ 67,516,426

See notes to financial statements

Village of Lincolnshire

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
Year Ended December 31, 2020

	General Corporate Fund	Special Service Area Debt Service Fund	General Capital Projects Fund	Nonmajor Governmental Funds	Total
Revenues					
Property taxes	$ 1,580,905	$ 1,153,485	$ -	$ -	$ 2,734,390
Other taxes	7,034,562	-	-	-	7,034,562
Licenses, permits and fees	630,646	-	-	-	630,646
Fines and forfeitures	232,823	-	-	3,176	235,999
Intergovernmental	1,046,307	-	37,900	442,891	1,527,098
Investment income	390,682	18,650	-	1,891	411,223
Donations	-	-	-	224,727	224,727
Miscellaneous	67,553	-	76,580	-	144,133
Total revenues	10,983,478	1,172,135	114,480	672,685	12,942,778
Expenditures					
Current:					
General government	2,241,310	6,570	69,802	-	2,317,682
Public safety	4,443,515	-	-	78	4,443,593
Community and economic development	849,983	-	-	-	849,983
Public works	1,655,982	-	-	-	1,655,982
Parks and open spaces	1,256,355	-	-	-	1,256,355
Capital outlay	-	-	2,814,014	-	2,814,014
Debt Service:					
Principal retirement	-	470,000	-	-	470,000
Interest and fiscal charges	-	679,375	-	-	679,375
Total expenditures	10,447,145	1,155,945	2,883,816	78	14,486,984
Excess (deficiency) of revenues over expenditures	536,333	16,190	(2,769,336)	672,607	(1,544,206)
Other Financing Sources (Uses)					
Transfers in	-	-	1,566,409	-	1,566,409
Transfers out	(851,283)	-	-	(986,028)	(1,837,311)
Total other financing sources (uses)	(851,283)	-	1,566,409	(986,028)	(270,902)
Net change in fund balances	(314,950)	16,190	(1,202,927)	(313,421)	(1,815,108)
Fund Balances, Beginning	7,745,557	2,196,723	9,305,686	3,036,199	22,284,165
Fund Balances, Ending	$ 7,430,607	$ 2,212,913	$ 8,102,759	$ 2,722,778	$ 20,469,057

See notes to financial statements

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended December 31, 2020

Net Change in Fund Balances, Total Governmental Funds	$	(1,815,108)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of net position the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities.		
Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements		1,402,235
Depreciation is reported in the government-wide financial statements		(1,643,193)
Repayment of the SSA debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Principal repaid		470,000
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Compensated absences		(52,301)
Total OPEB liability		(319,261)
Accrued interest on debt		9,792
Net pension asset/liability		3,380,837
Deferred outflows of resources related to pensions		(1,082,014)
Deferred inflows of resources related to pensions		(2,034,473)
Internal service fund is used by management to charge vehicle maintenance costs to individual funds. The change in net position of the internal service fund reported with governmental activities		7,919
Change in Net Position of Governmental Activities	$	(1,675,567)

Statement of Net Position
Proprietary Funds
December 31, 2020

	Business-Type Activities - Water and Sanitary Sewer Fund	Governmental Activities - Internal Service Fund
Assets		
Current assets:		
Cash and cash equivalents	$ 1,401,140	$ 121,895
Investments	426,888	-
Receivables:		
Accounts - billed	346,469	-
Accounts - unbilled	303,232	-
Due from other funds	272,153	-
Prepaid items	17,360	5,791
Total current assets	2,767,242	127,686
Noncurrent assets:		
Capital assets:		
Capital assets not being depreciated	242,466	-
Capital assets (net of accumulated depreciation)	32,638,467	-
Total noncurrent assets	32,880,933	-
Total assets	35,648,175	127,686
Deferred Outflows of Resources		
Pension items - IMRF	209,079	50,010
Total deferred outflows of resources	209,079	50,010

See notes to financial statements

Statement of Net Position
Proprietary Funds
December 31, 2020

	Business-Type Activities - Water and Sanitary Sewer Fund	Governmental Activities - Internal Service Fund
Liabilities		
Current liabilities:		
Accounts payable	$ 801,950	$ 21,170
Accrued payroll	9,738	2,760
Compensated absences	33,611	2,838
Total current liabilities	845,299	26,768
Noncurrent liabilities:		
Long-term debt:		
Net pension liability	583,401	139,545
Total OPEB liability	326,233	79,207
Total noncurrent liabilities	909,634	218,752
Total liabilities	1,754,933	245,520
Deferred Inflows of Resources		
Pension items - IMRF	306,913	73,412
Total deferred inflows of resources	306,913	73,412
Net Position		
Net investment in capital assets	32,880,933	-
Unrestricted net position	914,475	(141,236)
Total net position	$ 33,795,408	$ (141,236)

See notes to financial statements

Village of Lincolnshire

Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
Year Ended December 31, 2020

	Business-Type Activities - Water and Sanitary Sewer Fund	Governmental Activities - Internal Service Fund
Operating Revenues		
Charges for services	$ 4,827,111	$ 509,050
Miscellaneous	11,650	-
Total operating revenues	4,838,761	509,050
Operating Expenses		
Administration	679,802	-
Operations	4,195,143	-
Repairs and maintenance	205,971	501,131
Depreciation	1,717,879	-
Total operating expenses	6,798,795	501,131
Operating income (loss)	(1,960,034)	7,919
Nonoperating Revenues (Expenses)		
Investment income	3,438	-
Connection fees	306,053	-
Total nonoperating revenues (expenses)	309,491	-
Income (Loss) Before Transfers	(1,650,543)	7,919
Transfers		
Transfers in	270,902	-
Total transfers	270,902	-
Change in net position	(1,379,641)	7,919
Net Position (Deficit), Beginning	35,175,049	(149,155)
Net Position (Deficit), Ending	$ 33,795,408	$ (141,236)

See notes to financial statements

Village of Lincolnshire

Statement of Cash Flows
Proprietary Funds
Year Ended December 31, 2020

	Business-Type Activities - Water and Sanitary Sewer Fund	Governmental Activities - Internal Service Fund
Cash Flows From Operating Activities		
Received from customers	$ 4,865,410	$ -
Receipts from interfund services	-	509,050
Paid to suppliers for goods and services	(4,177,469)	(328,262)
Paid to employees for services	(703,159)	(165,038)
Payments to other funds	(50,910)	-
Other income	11,650	-
Net cash flows from operating activities	(54,478)	15,750
Cash Flows From Investing Activities		
Investment income	887	-
Net cash flows from investing activities	887	-
Cash Flows From Noncapital Financing Activities		
Connection fees	306,053	-
Transfers	270,902	-
Change in interfund balances	(272,308)	-
Net cash flows from noncapital financing activities	304,647	-
Cash Flows From Capital and Related Financing Activities		
Acquisition and construction of capital assets	(283,047)	-
Net cash flows from capital and related financing activities	(283,047)	-
Net change in cash and cash equivalents	(31,991)	15,750
Cash and Cash Equivalents, Beginning	1,433,131	106,145
Cash and Cash Equivalents, Ending	$ 1,401,140	$ 121,895

See notes to financial statements

Village of Lincolnshire

Statement of Cash Flows
Proprietary Funds
Year Ended December 31, 2020

	Business-Type Activities - Water and Sanitary Sewer Fund	Governmental Activities - Internal Service Fund
Reconciliation of Operating Income (Loss) to Net Cash Flows From Operating Activities		
Operating income (loss)	$ (1,960,034)	$ 7,919
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:		
Depreciation	1,717,879	-
Changes in assets and liabilities:		
Accounts receivable	38,299	-
Prepaid expense	(4,186)	(3,304)
Deferred outflows related to pensions	325,329	81,222
Accounts payable	57,692	(16,574)
Accrued salaries	(19,210)	(3,911)
Net pension liability	(454,285)	(115,275)
Deferred inflows related to pensions	233,803	55,458
Compensated absences	(31,807)	1,437
Total OPEB liability	42,042	8,778
Net cash flows from operating activities	$ (54,478)	$ 15,750
Noncash Capital and Related Financing Activities		
Change in capital-related accounts payable	$ 124,240	$ -

See notes to financial statements

Village of Lincolnshire

Statement of Fiduciary Net Position
Fiduciary Fund
December 31, 2020

	Pension Trust Fund
Assets	
Cash and cash equivalents	$ 44,383
Investments:	
Money markets	677,201
U.S. Treasury obligations	2,668,417
U.S. agencies securities	637,430
Equity mutual funds	13,416,254
Corporate bonds	5,176,287
Municipal bonds	40,618
Equities	5,141,697
Receivables:	
Accrued interest	55,157
Prepaid items	2,348
Total assets	27,859,792
Liabilities	
Accounts payable	18,804
Total liabilities	18,804
Net Position	
Restricted for pension benefits	$ 27,840,988
Total net position	$ 27,840,988

See notes to financial statements

Village of Lincolnshire

Statement of Changes in Fiduciary Net Position
Fiduciary Fund
Year Ended December 31, 2020

	Pension Trust Fund
Additions	
Contributions	
Employer	$ 910,154
Employee	260,748
Total contributions	1,170,902
Investment income	
Net appreciation in fair value of investments	3,008,505
Interest earned on investments	619,750
Total investment income	3,628,255
Less Investment expense	(67,260)
Net investment income	3,560,995
Total additions	4,731,897
Deductions	
Benefits	1,313,425
Administrative	28,709
Total deductions	1,342,134
Change in fiduciary net position	3,389,763
Net Position, Beginning	24,451,225
Net Position, Ending	$ 27,840,988

See notes to financial statements

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1. Summary of Significant Accounting Policies

The Village of Lincolnshire, Illinois (the Village) was incorporated on August 5, 1957. The Village is a home-rule municipality, under the 1970 Illinois Constitution, located in Lake County, Illinois. The Village operates under a Council-Manager form of government and provides the following services as authorized by its charter: public safety (police), highways and streets, sanitation (water and sewer), health and social services, public improvements, planning and zoning and general administrative services.

The accounting policies of the Village of Lincolnshire, Illinois conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

Reporting Entity

This report includes all of the funds of the Village. The reporting entity for the Village consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on, the primary government. Certain legally separate, tax exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units or its constituents; (2) the primary government or its component units, is entitled to or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government or its component units, is entitled to or has the ability to otherwise access, are significant to the primary government.

Component units are reported using one of three methods, discrete presentation, blended or fiduciary. Generally, component units should be discretely presented in a separate column in the financial statements. A component unit should be reported as part of the primary government using the blending method if it meets any one of the following criteria: (1) the primary government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists, (2) the primary government and the component unit have substantively the same governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government.

Fiduciary Component Unit

The Police Pension Employees Retirement System (PPERS) is established for the Village's police employees. PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's Mayor, one pension beneficiary elected by the membership and two police employees elected by the membership constitute the pension board. The Village and the PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. A municipality is considered to have a financial burden if it is legally obligated or has otherwise assumed the obligation to make contributions to the pension plan. 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. PPERS is reported as a fiduciary component unit pension trust fund and the data for the pension is included in the government's fiduciary fund financial statements as a pension trust fund. No separate annual financial report is issued for the PPERS.

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The Village does not allocate indirect expenses to functions in the statement of activities. 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 included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

Fund Financial Statements

Financial statements of the Village are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund balance, revenues and expenditures/expenses.

Funds are organized as major funds or nonmajor funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

a. Total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type and

b. The same element of the individual governmental or enterprise fund that met the 10 percent test is at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

c. In addition, any other governmental or enterprise fund that the Village believes is particularly important to financial statement users may be reported as a major fund.

Separate financial statements are provided for governmental funds and proprietary funds. 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:

General Corporate Fund

General Corporate Fund accounts for the Village's primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.

Debt Service Fund

Special Service Area Debt Service Fund is used to account for the resources accumulated and payments made for principal and interest on long-term special service area debt.

Capital Projects Fund

General Capital Projects Fund is used to account for the acquisition and construction of the Village's capital projects with funding provided by grants, donations and transfers.

Enterprise Fund

The Village reports the following major enterprise fund, which is the Village's only enterprise fund:

Water and Sanitary Sewer Fund is comprised of the water and sanitary sewer revenue account and water and sewer improvement account, accounts for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis to be financed or recovered primarily through user charges or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control or accountability or other purposes.

The Village reports the following nonmajor governmental funds:

Special Revenue Funds

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

Motor Fuel Tax Fund
Fraud, Alcohol and Drug Fund

Capital Projects Fund

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

Park Development Capital Projects Fund

In addition, the Village reports the following fund types:

Internal Service Fund

Internal Service Fund is used to account for and report the financing of goods or services provided by one department or agency to other departments or agencies of the Village or to other governmental units, on a cost-reimbursement basis.

Vehicle Maintenance and Operations Fund

Pension Trust Fund

Pension Trust Fund is used to account for and report resources that are required to be held in trust for the members and beneficiaries of the defined benefit pension plan.

Police Pension Trust Fund

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Sales taxes, telecommunication taxes and use taxes use a 90-day period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred inflows. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Intergovernmental aids and grants are recognized as revenues in the period the Village is entitled the resources and the amounts are available. Amounts owed to the Village which are not available are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time requirements) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, special assessments and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

Proprietary and Fiduciary Funds

Proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note.

The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

All Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles 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.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity

Deposits and Investments

For purposes of the statement of cash flows, the Village considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

Illinois Statutes authorize the Village to make 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 or agreement to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services and the Illinois Funds Investment Pool.

Pension funds 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 and the Illinois insurance company general and separate accounts, mutual funds meeting certain requirements, equity securities and corporate bonds meeting certain requirements. Pension funds with net assets in excess of $10,000,000 and an appointed investment advisor may invest an additional portion of its assets in common and preferred stocks and mutual funds, that meet certain requirements. The Police Pension Fund’s investment policy allows investments in all of the above listed accounts.

The Police Pension Fund's investment policy, in accordance with Illinois Statutes, establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Large cap U.S. equities	22.00 %	6.30 %
Mid cap U.S. equities	6.50	7.10
Small cap U.S. equities	6.50	7.80
International U.S. equities	15.00	5.70
Multi-class	15.00	3.80
Intermediate term fixed income	33.00	1.20
Cash and cash equivalents	2.00	0.00

Illinois Compiled Statues (ILCS) limit the Police Pension Fund's investments in equities, mutual funds and variable annuities to 65 percent. Securities in any one company should not exceed 5 percent of the total fund.

The Police Pension Fund also requires investments to be made in accordance with ILCS and the Police Pension Fund's investment policy, which allows the Police Pension Fund to invest in the same securities as the Village, plus the following: certain non-U.S. obligations (corporate debt securities), Illinois municipal corporations, tax anticipation warrants, veterans' loan obligations of the State of Illinois and its political divisions, Illinois insurance company general and separate accounts, mutual funds and equity securities (not to exceed 55 percent of the total assets of the Police Pension Fund). The Police Pension Fund's investment policy prohibits short selling, securities lending, financial futures, margins, options, nonmarketable securities, commodities, speculative real estate or other specialized derivative investments.

The long-term expected rate of return on the Police Pension Fund's investments was determined using an asset allocation study conducted by the Police Pension Fund's investment management consultant in December 2020 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Police Pension Fund's target asset allocation are listed in the table above.

The Village's investment policy authorizes the Village to make deposits/invest in accordance with the Illinois Compiled Statutes (ILCS): including investments in insured commercial banks, savings and loan institutions, obligations of 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 the same obligations, repurchase agreements, short-term commercial paper rated within the three highest classification by at least two standard rating services and the Illinois Funds (created by Illinois State Legislature under the control of the State Comptroller that maintains $1 per share value) and the Illinois Metropolitan Investment Fund (IMET).

The Village has adopted an investment policy. 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 safety (preservation of capital and protection of investment principal), liquidity and yield.

Interest Rate Risk

In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide the liquidity for operating funds and maximizing yields for funds not needed within a three-year period. The investment policy matches the maturities of short-term investments the following minimum guidelines: 10 percent under 30 days, 25 percent under 90 days, 50 percent under 270 days, 90 percent under one year and 100 percent under 18 months. The long-term portfolio should be timed to meet the required future cash flow needs and should not extend beyond the term of any long-term obligations.

The Police Pension Fund limits its exposure to interest rate risk by structuring the portfolio into an equity portion and a fixed income portion to allow the Police Pension Fund to maximize current returns while allowing stability of the Police Pension Fund and providing for long-term return on investment.

Credit Risk

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 requiring annual approval of allowable investments. Additionally, the funds are primarily invested in government securities and other secure investments.

The Police Pension Fund limits its exposure to credit risk by requiring quarterly review of the returns of the equity portion of investments to address any standard deviations and by requiring 35 percent investment in secure fixed income investments, primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government.

Concentration of Credit Risk

The Village's investment policy requires diversification of the portfolio. Diversification by security is as follows: U.S. Treasury obligations - 100 percent maximum; U.S. Government agency securities and instruments of government sponsored corporations - 100 percent maximum; certificates of deposit (CDs) commercial banks - 33 percent maximum; except when the CDs are invested using the Certificate of Deposit Account Registry Service (CDARS) or similar system; Illinois Governmental Cash Investment Fund - 35 percent maximum; and IMET - 35 percent. Diversification by institution is as follows: CDs - no more than 15 percent of the total portfolio with any one institution.

The Police Pension Fund's investment policy provides diversification guidelines on the amount of the portfolio that can be invested in any one investment vehicle. Diversification by security is in accordance with the table above. Small and temporary variations from the above are allowed for by the policy.

Custodial Credit Risk, Deposits

The Village's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured with collateralization pledged by the applicable financial institution to the extent of 110 percent of the value of the deposit. The collateral must be held by the Village's agent in the Village's name.

The Police Pension Fund's investment policy does not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the Police Pension Fund's deposits with financial institutions.

Custodial Credit Risk, Investments

The Village's investment policy does not address custodial credit risk related to investments. To limit its exposure, the Village processes 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 Village's agent separate from where the investment was purchased or by the trust department of the bank where purchased, in the Village's name.

The Police Pension Fund's policy requires reporting and monitoring of investment managers and custodians. To additionally limit its exposure, the Police Pension Fund prepares all transactions that are exposed to custodial credit risk to be processed on delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Police Pension Fund's agent separate from where the investment was purchased in the Police Pension Fund's name.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances.The difference between the bank statement balance and carrying value is due to outstanding checks and/or deposits in transit.

Illinois Metropolitan Investment Fund (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. Investment in IMET's 1-3 year fund may be redeemed with 5 business days' notice.

See Note 2 for further information.

Receivables

Property taxes for levy year 2020 attaches as an enforceable lien on January 1, 2020, on property values assessed as of the same date. Taxes are levied by December following the lien date (by passage of a Tax Levy Ordinance). Tax bills for levy year 2020 are prepared by Lake County and issued on or about May 1, 2021 and August 1, 2021 and are payable in two installments, on or about June 1, 2021 and September 1, 2021 or within 30 days of the tax bills being issued.

The County collects such taxes and remits them periodically. The 2020 property tax levy is recognized as a receivable and deferred inflows in fiscal 2020. As the taxes become available to finance current expenditures, they are recognized as revenues. At December 31, 2020, the property taxes receivable and related deferred inflows consisted of the estimated amount collectible from the 2020 levy.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as due to and from other funds. Long-term interfund loans (noncurrent portion) are reported as advances from and to other funds. Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as internal balances.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital Assets

Government-Wide Statements

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than $10,000 for general capital assets, $100,000 for all land and improvements as well as building and improvements and $200,000 for infrastructure assets. Capital assets must have an estimated useful life in excess of 1 year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, overhead and an allowance for the cost of funds used during construction when significant. For tax-exempt debt, the amount of interest capitalized equals the interest expense incurred during construction netted against any interest revenue from temporary investment of borrowed fund proceeds. No interest was capitalized during the current year. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

Land Improvements	10-20	Years
Buildings and improvements	15-50	Years
Infrastructure*	20-50	Years
Machinery and equipment	5-20	Years
Buildings: business-type activities	45	Years
Underground water and sewerage system: business-type activities	10-75	Years
Furniture, machinery and equipment: business-type activities	5-15	Years

*Infrastructure includes right-of-way land (not depreciated), roads, curbs, gutters, storm sewers, recreational paths, street lights, field lights, bridges and traffic control signals.

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

Other Assets

Land held for resale is valued at the lower of cost or market. Reported land held for resale is equally offset by nonspendable fund balance, which indicates that portion of the fund balance is unavailable to the fund.

Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net position/fund balance that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

Compensated Absences

In the event of termination, an employee is paid for accumulated vacations days. Employees are not reimbursed for unused sick leave and all vacation time must be used in the current year or shortly thereafter. Accrued vacation is reported in the governmental funds for the amount of vacation for employees that retired or were terminated before fiscal year end that was not paid out as of fiscal year end.

Vested or accumulated vacation and sick leave of proprietary funds and governmental activities, at the government-wide level, is recorded as an expense and liability as the benefits accrue to employees.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2020, are determined on the basis of current salary rates and include salary related payments.

Long-Term Obligations

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of bonds payable and accrued compensated absences.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) are reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net position/fund balance that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

Equity Classifications

Government-Wide Statements

Equity is classified as net position and displayed in three components:

a. *Net investment in capital assets* - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
b. *Restricted net position* - Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
c. *Unrestricted net position* - All other net positions that do not meet the definitions of restricted or net investment in capital assets.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Statements

Governmental fund balances are displayed as follows:

a. *Nonspendable* - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.

b. *Restricted* - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.

c. *Committed* - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (ordinance) of the Village Board. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Village Board that originally created the commitment.

d. *Assigned* - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The authority to assign fund balance has been delegated to the Mayor by the Village Board of Trustees Assignments may take place after the end of the reporting period.

e. *Unassigned* - Includes residual positive fund balance within the General Corporate Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

Proprietary fund equity is classified the same as in the government-wide statements.

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.

The Village has established fund balance reserve policies for its General Corporate Fund. The General Corporate Fund targets 75 percent of one year's operating expenditures. The Special Revenue, Capital Projects and Debt Service Funds do not have established fund balance limits due to the nature of the transactions accounted for in these funds.

2. Detailed Notes on All Funds

Deposits and Investments

The Village maintains a cash and investment pool that is available for use by all funds. Each fund type’s portion of this pool is displayed on the statement of net position and balance sheet as cash and investments. In addition, investments are separately held by several of the Village's funds. The deposits and investments of the pension trust fund is held separately from those of other funds.

The Village's and Police Pension Fund's deposits and investments at year end were comprised of the following:

	Village	Police Pension Fund	Total
Deposits	$ 4,608,098	$ 44,383	$ 4,652,481
Illinois Metropolitan Investment Fund (IMET) - 1-3 year debt fund	4,958,292	-	4,958,292
Illinois Metropolitan Investment Fund (IMET) convenience fund	6,457,626	-	6,457,626
Money market	7,360	677,201	684,561
Repurchase agreement - Natixis	1,169,686	-	1,169,686
U.S. Treasury obligations	101,609	2,668,417	2,770,026
U.S. agencies - implicitly guaranteed	578,463	527,462	1,105,925
U.S. agencies - explicitly guaranteed	-	109,968	109,968
Equity mutual funds	-	13,416,254	13,416,254
Municipal bonds	594,471	40,618	635,089
Corporate bonds	-	5,176,287	5,176,287
Negotiable certificates of deposits	4,026,436	-	4,026,436
Equities	-	5,141,697	5,141,697
Petty cash	9,501	-	9,501
Total deposits and investments	$ 22,511,542	$ 27,802,287	$ 50,313,829

	Village	Police Pension Fund	Total
Reconciliation to financial statements			
Per statement of net position			
Cash and cash equivalents	$ 4,617,599	$ -	$ 4,617,599
Investments	17,893,943	-	17,893,943
Per statement of net position, fiduciary funds			
Cash and cash equivalents	-	44,383	44,383
Money markets	-	677,201	677,201
U.S. Treasury obligations	-	2,668,417	2,668,417
U.S. agencies securities	-	637,430	637,430
Equity mutual funds	-	13,416,254	13,416,254
Corporate bonds	-	5,176,287	5,176,287
Municipal bonds	-	40,618	40,618
Equities	-	5,141,697	5,141,697
Total deposits and investments	$ 22,511,542	$ 27,802,287	$ 50,313,829

Deposits in each local and area bank are insured by the FDIC in the amount of $250,000 for time and savings accounts (including NOW accounts) and $250,000 for demand deposit accounts (interest-bearing and noninterest-bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of $250,000 for the combined amount of all deposit accounts.

The Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. 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; Level 3 inputs are significant unobservable inputs.

The Village and Police Pension Fund used the market valuation method for recurring fair value measurements.

Village

	December 31, 2020			
Investment Type	**Level 1**	**Level 2**	**Level 3**	**Total**
Illinois Metropolitan Investment Fund (IMET) - 1-3 year debt fund	$ -	$ -	$ 4,958,292	$ 4,958,292
Illinois Metropolitan Investment Fund (IMET) convenience fund	-	6,457,626	-	6,457,626
Repurchase agreement - Natixis	-	1,169,686	-	1,169,686
U.S. Treasury obligations	101,609	-	-	101,609
U.S. agencies - implicitly guaranteed	-	578,463	-	578,463
Municipal bonds	-	594,471	-	594,471
Negotiable certificates of deposits	-	4,026,436	-	4,026,436
Total	$ 101,609	$ 12,826,682	$ 4,958,292	$ 17,886,583

Police Pension Fund

	December 31, 2020			
Investment Type	**Level 1**	**Level 2**	**Level 3**	**Total**
U.S. Treasury obligations	$ 2,668,417	$ -	$ -	$ 2,668,417
U.S. agencies - implicitly guaranteed	-	527,462	-	527,462
U.S. agencies - explicitly guaranteed	-	109,968	-	109,968
Corporate bonds	-	5,176,287	-	5,176,287
Municipal bonds	-	40,618	-	40,618
Equities	5,141,697	-	-	5,141,697
Equity mutual funds	13,416,254	-	-	13,416,254
Total	$ 21,226,368	$ 5,854,335	$ -	$ 27,080,703

Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the Village's deposits may not be returned to the Village.

The Village does not have any deposits exposed to custodial credit risk.

Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The Village's securities and the Police Pension Fund's securities subject to investment custodial credit risk are held in safekeeping at the institution where they are purchased.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

As of December 31, 2020, investments were rated as follows:

Village

Investment Type	Standard & Poors	Moody's Investors Services
Illinois Metropolitan Investment Fund (IMET) - 1-3 year debt fund	n/a	Aaa-bf
Repurchase agreement - Natixis	AAA	Aaa
U.S. agencies	AA+	Aaa
Municipal bonds	AAA - AA-	Aa1 - A2
Negotiable certificates of deposit	Not Rated	Not Rated

Police Pension Fund

Investment Type	Standard & Poors	Composite Ratings
U.S. agencies	n/a	n/a
Corporate bonds	A+ - BBB-	Aaa - Baa3
Municipal bonds	BBB	Aaa - A2
Negotiable certificates of deposit	Not Rated	Not Rated

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

At December 31, 2020, the Village's investment portfolio was concentrated as follows:

Issuer	Investment Type	Percentage of Portfolio
Natixis Investment	Repurchase agreement	6.54 %

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

As of December 31, 2020, the Village's and Police Pension Fund's investments were as follows:

Village

Investment Type	Fair Value	Maturity (In Years) Less than 1	1-5	6-10
Illinois Metropolitan Investment Fund (IMET) - 1-3 year debt fund	$ 4,958,292	$ -	$ 4,958,292	$ -
Repurchase agreement - Natixis	1,169,686	-	-	1,169,686
U.S. Treasury obligations	101,609	101,609	-	-
U.S. agencies - implicitly guaranteed	578,463	-	578,463	-
Municipal bonds	594,471	75,368	519,103	-
Negotiable certificates of deposits	4,026,436	1,354,223	2,672,213	-
Total	$ 11,428,957	$ 1,531,200	$ 8,728,071	$ 1,169,686

Police Pension Fund

Investment Type	Fair Value	Maturity (In Years) Less than 1	1-5	6-10	More than 10
U.S. Treasury obligations	$ 2,668,417	$ -	$ 982,653	$ 1,685,764	$ -
U.S. agencies - explicitly guaranteed	109,968	-	8,420	53,018	48,530
U.S. agencies - implicitly guaranteed	527,462	35,053	82,445	64,468	345,496
Corporate bonds	5,176,287	468,902	3,025,170	1,657,179	25,036
Municipal bonds	40,618	40,618	-	-	-
Total	$ 8,522,752	$ 544,573	$ 4,098,688	$ 3,460,429	$ 419,062

Money-Weighted Rate of Return

Police Pension Fund

For the year ended December 31, 2020, the annual money-weighted rate of return on the Police Pension plan investments, net of pension plan investment expense, was 14.70 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

See Note 1 for further information on deposit and investment policies.

Receivables

Other taxes receivables as of year end for the General Corporate Fund in the aggregate are as follows:

	Amount
Other taxes:	
State income	$ 77,136
Sales	323,140
Home rule sales	283,507
Food & beverage	31,997
Utility	95,042
Telecommunications	227,123
Room & admissions	19,772
State use	102,729
Cable	42,478
Miscellaneous	805
Total	$1,203,729

All of the receivables on the balance sheet are expected to be collected within one year.

Capital Assets

Capital asset activity for the year ended December 31, 2020, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated:				
Land	$ 27,533,513	$ -	$ -	$ 27,533,513
Right of way	15,175,160	-	-	15,175,160
Easements	1,073,597	-	-	1,073,597
Construction in progress	42,737	236,344	-	279,081
Total capital assets not being depreciated	43,825,007	236,344	-	44,061,351
Capital assets being depreciated:				
Land improvements	7,795,809	163,426	-	7,959,235
Buildings and improvements	8,772,820	725,870	-	9,498,690
Infrastructure	45,938,696	132,929	-	46,071,625
Machinery and equipment	4,307,455	143,666	96,171	4,354,950
Total capital assets being depreciated	66,814,780	1,165,891	96,171	67,884,500
Total capital assets	110,639,787	1,402,235	96,171	111,945,851
Less accumulated depreciation for:				
Land improvements	(5,312,001)	(332,571)	-	(5,644,572)
Buildings and improvements	(5,002,473)	(179,311)	-	(5,181,784)
Infrastructure	(29,390,901)	(848,003)	-	(30,238,904)
Machinery and equipment	(2,495,806)	(283,308)	96,171	(2,682,943)
Total accumulated depreciation	(42,201,181)	(1,643,193)	96,171	(43,748,203)
Net capital assets being depreciated	24,613,599	(477,302)	-	24,136,297
Total governmental activities capital assets, net of accumulated depreciation	$ 68,438,606	$ (240,958)	$ -	$ 68,197,648

Depreciation expense was charged to functions as follows:

Governmental Activities	
General government	$ 880,343
Public safety	56,408
Public works	207,548
Parks and open spaces	498,894
Total governmental activities depreciation expense	$ 1,643,193

	Beginning Balance	Additions	Deletions	Ending Balance
Business-Type Activities				
Capital assets not being depreciation:				
Land	$ 106,833	$ -	$ -	$ 106,833
Construction in progress	61,862	73,771	-	135,633
Total capital assets not being depreciation	168,695	73,771	-	242,466
Capital assets being depreciation:				
Buildings	2,102,570	-	-	2,102,570
Underground water and sewerage system	87,532,039	110,114	-	87,642,153
Furniture, machinery and equipment	1,277,812	223,400	-	1,501,212
Total capital assets being depreciation	90,912,421	333,514	-	91,245,935
Total capital assets	91,081,116	407,285	-	91,488,401
Less accumulated depreciation for:				
Buildings	(1,195,059)	(55,161)	-	(1,250,220)
Underground water and sewerage system	(55,180,839)	(1,553,641)	-	(56,734,480)
Furniture, machinery and equipment	(513,691)	(109,077)	-	(622,768)
Total accumulated depreciation	(56,889,589)	(1,717,879)	-	(58,607,468)
Net capital assets being depreciation	34,022,832	(1,384,365)	-	32,638,467
Business-type capital assets, net of accumulated depreciation	$ 34,191,527	$ (1,310,594)	$ -	$ 32,880,933

Interfund Receivables/Payables and Transfers

Interfund Receivables/Payables

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

Receivable Fund	Payable Fund	Amount
Water and Sanitary Sewer - Revenue	General Corporate	$ 1,251
Water and Sanitary Sewer Improvement	General Corporate	270,902
Total		$ 272,153

All amounts are due within one year.

The interfund from the General Operating to the Water and Sanitary Sewer Fund - Revenue results from allocating expenditures/expense betweeen funds. This amount will be repaid within one year.

The interfund from the General Operating to the Water and Sanitary Sewer Fund - improvement fund is transfering General operating fund reserves to cover the cost of equipment and infrastructure improvement planned in 2020.

Transfers

The following is a schedule of interfund transfers:

Fund Transferred To	Fund Transferred From	Amount	Principal Purpose
Water and Sanitary Sewer Improvement	General Corporate	$ 270,902	To move general operating fund reserves to the water and sanitary sewer improvement fund to cover the cost of equipment and infrastructure planned in 2020.
General Capital Projects	General Corporate	580,381	Transfer is to fund future capital improvement projects.
General Capital Projects	Nonmajor Fund	986,028	Transfer is to offset the cost of various park and path projects paid out of the capital projects fund.
Total, fund financial statements		1,837,311	
Less government-wide eliminations		(1,566,409)	
Total transfers, government-wide statement of activities		$ 270,902	

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund and (3) use unrestricted revenues collected in the General Corporate Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Long-Term Obligations

Long-term obligations activity for the year ended December 31, 2020, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and notes payable:					
Special assessment area bonds	$ 11,105,000	$ -	$ 470,000	$ 10,635,000	$ 495,000
Total bonds and notes payable	11,105,000	-	470,000	10,635,000	495,000
Other liabilities:					
Compensated absences*	206,701	103,976	51,675	259,002	259,002
Compensated absences - internal service	1,401	1,787	350	2,838	2,838
Total OPEB liability	2,113,723	417,695	98,434	2,432,984	-
Total OPEB liability - internal service	70,429	11,983	3,205	79,207	-
Net pension liability - police pension	5,639,479	1,565,362	3,389,763	3,815,078	-
Net pension liability - IMRF	3,468,928	-	1,556,436	1,912,492	-
Net pension liability - IMRF - internal service	254,820	-	115,275	139,545	-
Total other liabilities	11,755,481	2,100,803	5,215,138	8,641,146	261,840
Total governmental activities long-term liabilities	$ 22,860,481	$ 2,100,803	$ 5,685,138	$ 19,276,146	$ 756,840
Business-Type Activities					
Other liabilities:					
Compensated absences	$ 65,418	$ 5,973	$ 37,780	$ 33,611	$ 33,611
Total OPEB Liability	284,191	55,241	13,199	326,233	-
Net pension liability - IMRF	1,037,686	-	454,285	583,401	-
Total other liabilities	1,387,295	61,214	505,264	943,245	33,611
Total business-type activities long-term liabilities	$ 1,387,295	$ 61,214	$ 505,264	$ 943,245	$ 33,611

The Village is a home rule municipality.

Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of the legal debt margin as follows. 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 properly 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 in the 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. The Village voters approved referendum to become a home rule community in 1975.

To date, the General Assembly has set no limits for home rule municipalities. The Village qualifies as a Home Rule Unit under Section 6(a) of Article VII of the 1970 Constitution of Illinois and, under the powers granted by this section, can exercise any power and perform any function pertaining to its government and affairs that is not prohibited by the ILCS.

*Accrued compensated absences are historically retired by the General Corporate Fund.

The net pension liability for the Illinois Municipal Retirement Fund (IMRF), net pension liability - Police Pension and total OPEB liability are retired by the General Corporate as well as the Water and Sanitary Sewer Funds.

Special Service Area Bonds

Special service areas bonds at December 31, 2020, consists of the following:

Governmental Activities Special Service Area Bonds	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2020
Special Service Area Number 1 Special Tax Bonds, Series 2004 due in annual installments ranging from $235,000 to $1,095,000	11/16/04	3/1/34	6.25%	$ 15,000,000	$ 10,635,000
Total governmental activities special service area bonds					$ 10,635,000

Debt service requirements to maturity are as follows:

Years	Governmental Activities Special Service Area Bonds Principal	Interest	Total
2021	$ 495,000	$ 649,219	$ 1,144,219
2022	530,000	617,187	1,147,187
2023	560,000	583,125	1,143,125
2024	595,000	547,031	1,142,031
2025	635,000	508,594	1,143,594
2026-2030	3,815,000	1,876,406	5,691,406
2031-2034	4,005,000	519,844	4,524,844
Total	$ 10,635,000	$ 5,301,406	$ 15,936,406

3. Other Information

Employees' Retirement System

The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent-multiple-employer public employee retirement system; and the Police Pension Plan which is a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for the plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. The Police Pension Plan does not issue a separate report on the pension plan. IMRF does issue 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. This report is also available for download at www.imrf.org.

For the year ended December 31, 2020, the Village recognized the following balances in the government-wide financial statements:

	Total Pension Liability	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
IMRF	$ 23,283,596	$ 2,635,438	$ 944,492	$ 1,386,437	$ 924,449
Police Pension Plan	31,656,066	3,815,078	985,990	2,398,206	339,434
Total	$ 54,939,662	$ 6,450,516	$ 1,930,482	$ 3,784,643	$ 1,263,883

Illinois Municipal Retirement Fund

Plan Description

All employees (other than those covered by the Police Pension plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF has a two tier plan. Members who first participated in IMRF or an Illinois Reciprocal System prior to January 1, 2011 participate in Tier 1. All other members participate in Tier 2. For Tier 1 participants, pension benefits vest after 8 years of service. Participating members who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with 8 years of service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1-2/3 percent of their final rate of earnings (average of the highest 48 consecutive months' earnings during the last 10 years) for credited service up to 15 years and 3 percent for each year thereafter.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 participants, pension benefits vest after 10 years of service. Participating members who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with 10 years of service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1-2/3 percent of their final rate of earnings for the first 15 years of service credit, plus 2 percent for each year of service after 15 years to a maximum of 75 percent of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased ever year after retirement, upon reaching age 67, by the lesser of 3 percent of the original pension amount or 1/2 of the increase in the Consumer Price Index of the original pension amount.

Plan Membership

At December 31, 2019, the measurement date, membership in the plan was as follows:

Retirees and beneficiaries	49
Inactive, nonretired members	36
Active members	37
Total	122

Contributions

As set by statute, Village employees participating in IMRF are required to contribute 4.50 percent of their annual covered salary. The statute requires the Village to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village's actuarially determined contribution rate for calendar year 2019 was 13.49% of annual covered payroll for IMRF. The Village also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability/(Asset)

The net pension liability/(asset) was measured as of December 31, 2019 and the total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date.

Summary of Significant Accounting Policies

For purposes of measuring the net pension liability/(asset), deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of IMRF and additions to/deductions from IMRF fiduciary net position have been determined on the same basis as they are reported by IMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Actuarial Assumptions

The total pension liability for IMRF was determined by actuarial valuations performed as of December 31, 2019 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value
Actuarial assumptions	
Investment Rate of Return	7.25%
Inflation	3.25%
Salary increases	3.35% to 14.25%, including inflation
Price inflation	2.50%

Mortality

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Long-Term Expected Real Rate of Return

The long-term expected rate of return on pension plan investments was determined using an asset allocation study in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce long-term expected rate of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

		Projected Returns/Risks	
Asset Class	**Target Allocation**	**One Year Arithmetic**	**Ten Year Geometric**
Equities	37.00 %	7.05 %	5.75 %
International equities	18.00	8.10	6.50
Fixed income	28.00	3.70	3.25
Real estate	9.00	6.35	5.20
Alternatives	7.00		
Private equity		11.30	7.60
Hedge funds		-	-
Commodities		4.65	3.60
Cash equivalents	1.00	1.85	1.85

Discount Rate

The discount rate from the December 31, 2019 measurement date used to measure the total pension liability for IMRF as of December 31, 2020 was 7.25 percent. The discount rate calculated using the December 31, 2018 measurement date was 7.25 percent. 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 Village contributions will be made at rates equal to the difference between actuarially determined contribution rate and the member rate. Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefits to determine the total pension liability.

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 net pension liability/(asset) of the Village calculated using the discount rate of 7.25 percent as well as what the net pension liability/(asset) would be if it were to be calculated using a discount rate that is 1 percentage point lower (6.25 percent) or 1 percentage point higher (8.25 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total pension liability	$ 26,260,598	$ 23,283,596	$ 20,831,753
Plan fiduciary net pension	20,648,158	20,648,158	20,648,158
Net pension liability/(asset)	$ 5,612,440	$ 2,635,438	$ 183,595

Changes in Net Pension Liability/(Asset)

The changes in net pension liability/(asset) for the calendar year ended December 31, 2019 were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balances at December 31, 2018	$ 23,007,155	$ 18,245,721	$ 4,761,434
Service cost	295,495	-	295,495
Interest on total pension liability	1,638,470	-	1,638,470
Differences between expected and actual experience of the total pension liability	(546,879)	-	(546,879)
Benefit payments, including refunds of employee contributions	(1,110,645)	(1,110,645)	-
Contributions, employer	-	406,130	(406,130)
Contributions, employee	-	135,477	(135,477)
Net investment income	-	3,441,700	(3,441,700)
Other (net transfer)	-	(470,225)	470,225
Balances at December 31, 2019	$ 23,283,596	$ 20,648,158	$ 2,635,438

Plan fiduciary net position as a percentage of the total pension liability 88.68 %

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2020, the Village recognized pension expense of $924,449. The Village reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 184,743	$ 388,904
Assumption changes	267,923	95,355
Net difference between projected and actual earnings on pension plan investments	-	902,178
Contributions subsequent to the measurement date	491,826	-
Total	$ 944,492	$ 1,386,437

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liability/(asset) for the year ending December 31, 2021. The remaining amounts reported as deferred outflows and inflows of resources related to pensions ($(933,771)) will be recognized in pension expense as follows:

Year Ending December 31,	Village
2021	$ (173,507)
2022	(316,475)
2023	(12,478)
2024	(431,311)
Total	$ (933,771)

Police Pension

Plan Description

Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes (Chapter 40 ILCS 5/3) 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 Mayor, one member is elected by pension beneficiaries and two members are elected by active police employees.

As provided for in the Illinois Compiled Statutes, the Plan provides retirement benefits as well as death and disability benefits to employees grouped into two tiers. Tier 1 is for employees hired prior to January 1, 2011 and Tier 2 is for employees hired after that date. The following is a summary of the Police Pension Fund as provided for in Illinois Compiled Statutes.

Tier 1 - Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one half of the salary attached to the rank on the last day of service or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% 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 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 - Covered employees hired on or after January 1, 2011 attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 48 consecutive months of service within the last 60 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 $124,630 for 2020, plus the amount automatically increases by the lesser 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 maximum of 75% of each salary. Employees with 10 or more years of creditable service may retire at or after age 50 and receive a reduced retirement benefit (i.e., 1/2% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on January 1 occurring either on or after the attainment of age 60 or the first anniversary of the pension start date, whichever is later. Each annual increase shall be calculated at 3% or one-half the annual unadjusted percentage increase in the CPI, whichever is less for the proceeding calendar year.

Plan Membership

At December 31, 2020, the Police Pension membership consisted of:

Retirees and beneficiaries	18
Inactive, nonretired members	4
Active members	25
Total	47

Contributions

Covered employees are required to contribute 9.91 percent 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 plans as actuarially determined by an enrolled actuary. Effective January 1, 2011 the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90 percent funded by the year 2040. It is the Village's policy to fund the pension plan to achieve 100 percent funding by the same date. The Village's actuarially determined contribution rate for the fiscal year ending December 31, 2020 was 36.72 percent of annual covered payroll.

Net Pension Liability/(Asset)

The net pension liability/(asset) was measured as of December 31, 2020 and the total pension liability used to calculate the net pension liability/(asset) was determined by an annual actuarial valuation as of that date.

Summary of Significant Accounting Policies

The financial statements of the Police Pension Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which contributions are due. The Village's contributions are recognized when due and a formal commitment to provide the contributions are made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Plan investments are reported at fair value. Short-term investments are reported at cost, which approximated fair value. Investments that do not have an established market are reported at estimated fair values.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed as of December 31, 2020 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value
Actuarial assumptions	
Interest rate	6.50%
Inflation	2.50%
Projected salary increases	3.62% to 7.36%
Cost-of-living adjustments	3.00%

Mortality rates were based on the following:

Healthy Active Lives: PubS-2010 Mortality Table for Employees. 10% of active deaths are assumed to be in the line of duty.

Healthy Retiree Lives: PubS-2010 Mortality Table for Healthy Retirees.

Disabled Lives: PubS-2010 Mortality Table for Disabled Retirees.

Beneficiary Lives: PubS-2010 Mortality Table for Contingent Survivors.

The mortality assumptions for all participants are sex distinct with mortality improvement projected 5 years beyond the valuation date using scale MP-2020 and a base year of 2010.

Discount Rate

The discount rate used to measure the total pension liability for the Police Pension Plan was 6.50 percent, the same as the prior valuation. 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 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 Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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 pension liability of the Village calculated using the discount rate of 6.50 percent as well as what the net pension liability would be if it were to be calculated using a discount rate that is 1 percentage point lower (5.50 percent) or 1 percentage point higher (7.50 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total pension liability	$ 36,384,257	$ 31,656,066	$ 27,808,945
Plan fiduciary net position	27,840,988	27,840,988	27,840,988
Net pension liability	$ 8,543,269	$ 3,815,078	$ (32,043)

Changes in Net Pension Liability/(Asset)

The Village's changes in net pension liability/(asset) for the calendar year ended December 31, 2020 was as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/Asset (a) - (b)
Balances at December 31, 2019	$ 30,090,704	$ 24,451,225	$ 5,639,479
Service cost	630,814	-	630,814
Interest on total pension liability	1,954,038	-	1,954,038
Differences between expected and actual experience of the total pension liability	293,935	-	293,935
Benefit payments, including refunds of employee contributions	(1,313,425)	(1,313,425)	-
Contributions, employer	-	910,154	(910,154)
Contributions, employee	-	260,748	(260,748)
Net investment income	-	3,560,995	(3,560,995)
Administration	-	(28,709)	28,709
Balances at December 31, 2020	$ 31,656,066	$ 27,840,988	$ 3,815,078

Plan fiduciary net position as a percentage of the total pension liability 87.95 %

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2020, the Village recognized pension expense of $339,434. The Village reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 493,325	$ 215,649
Assumption changes	492,665	-
Net difference between projected and actual earnings on pension plan investments	-	2,182,557
Total	$ 985,990	$ 2,398,206

The amounts reported as deferred outflows and inflows of resources related to pensions ($1,412,216) will be recognized in pension expense as follows:

Year Ending December 31,	Amount
2021	$ (415,718)
2022	(117,495)
2023	(746,567)
2024	(284,936)
2025	110,509
Thereafter	41,991
Total	$ (1,412,216)

Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; workers compensation; and health care of its employees. The Village participates in a public entity risk pool called North Suburban Employee's Benefit Cooperative to provide coverage for losses from health care of its employees and a public entity risk pool called the Municipal Insurance Cooperative Agency to provide coverage for losses from workers' compensation claims.. However, other risks, such as (torts; theft of, damage to or destruction of assets; errors and health care of its employees) are accounted for and financed by the Village in the General Corporate Fund.

Public Entity Risk Pool

HELP

The Village participated in the High Level Excess Liability Pool (HELP). HELP was a public entity risk pool established by certain municipalities (the Members) in Illinois to provide excess liability coverage. The Village was a charter member when it commenced operations in 1985 with 15 members.

The member communities opted to close HELP down effective April 30, 2018. The Village remains responsible for its share of expenses and currently has a surplus position in the run-off of the pool. It is expected that HELP will close out all claims and return the surplus to members with the next 36 months.

North Suburban Employee's Benefit Cooperative (NSEBC)

The Village participates in the North Suburban Employee's Benefit Cooperative (NSEBC), an agency of municipalities created to finance and administer health and life insurance benefits for its members. Each municipality appoints one representative to serve on the Board of Directors. The Board of Directors determines the general government polices which include approval of the annual budget.

Municipal Insurance Cooperative Agency

The Village participates in the Municipal Insurance Cooperative Agency (MICA). MICA is a public entity risk pool whose members are Illinois municipalities. MICA manages and funds first party property losses, third party liability claims, workers' compensation claims and public officials' liability claims of its members. MICA also has a third party administrator that works on behalf of the MICA members to administer claims.

MICA provides $15,000,000 of coverage after a $5,000 deductible. MICA also provides crime and cyber coverage. The Village pays an annual contribution to MICA based upon the Village's share of liability exposure and prior experience within the pool to cover potential claims to the total loss aggregate. Amounts paid into the pool in excess of claims for any coverage year can be returned to the members in the form of a dividend in subsequent periods. The Village records such dividends as miscellaneous revenue in the General Fund in the year in which they are received.

Management consists of a Board of Directors comprised of one appointed representative from each member. The Village does not exercise any control over activities of MICA beyond its representation on the Board of Directors. MICA functions solely as an administrative agent for each member.

Other Postemployment Benefits

General Information about the OPEB Plan

Plan Description

The Village provides postemployment health insurance benefits for all eligible retirees and their spouses through the Village's benefit cooperative which covers both active and retired members. The plan allows eligible retirees to remain on the Village's health insurance plan as required by ILCS, but the retiree is responsible for the full health insurance premium. For the year ended December 31, 2020, $129,064 was contributed by plan members. Plan provisions and contribution requirements are established and may be amended by the Village through contractual agreements with employee groups, local ordinances or employee benefit policies. The plan is funded on a pay-as-you go basis and no assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided

To be eligible for benefits, an employee must qualify for retirement under one of the Village's retirement plans. 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. Once a retiree reaches age 65 years of age, they are given the option to switch to the Benistar Post-65 plan.

Employees Covered by Benefit Terms

At December 31, 2020, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	8
Active plan members	56
Total	64

Total OPEB Liability

The Village's total OPEB liability of $2,838,424 was measured as of December 31, 2020 and was determined by an actuarial valuation as of January 1, 2021.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.74%
Salary increases	2.75%
Healthcare cost trend rates - PPO	7.70
Healthcare cost trend rates - HDHP	7.20
Retirees' share of benefit-related costs	100%

The discount rate was based on Bond Buyer 20-Bond G.O. Index as of December 31, 2020.

Active, Retiree and Spousal IMRF mortality rates follows the Sex Distinct Raw Rates as developed in the RP-2014 Study with Blue Collar Adjustment. Active Police member mortality assumptions are based on the PubS-2010(A) Study Improved to 2017 using MP-2019 Improvement Rates. Police Retiree mortality rates follows the L&A assumption study for Police 2020 which are experience weighted with the raw rates as developed in the PubS-2010(A) Study Improved to 2017 using MP-2019 Improvement Rate. The Disabled and Spousal Police mortality rates follows the Sex Distinct Raw Rates and are improved generationally using MP-2019 Improvement Rates.

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study conducted by the independent actuary.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balances at December 31, 2019	$ 2,468,343
Changes for the year:	
Service cost	21,091
Interest	66,059
Differences between expected and actual experience	32,931
Changes in assumptions or other inputs	364,837
Benefit payments	(114,837)
Net changes	370,081
Balances at December 31, 2020	$ 2,838,424

Changes of assumptions and other inputs reflect a change in the discount rate from 2.74 percent in 2019 to 2.12 percent in 2020.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.1 percent) or 1-percentage-point higher (3.1 percent) than the current discount rate:

	1% Decrease	Discount Rate	1% Increase
Total OPEB liability	$ 3,365,268	$ 2,838,424	$ 2,431,131

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.1 percent - PPO and 6.2 percent - HDHP decreasing to 4.0 percent) or 1-percentage-point higher (8.1 percent - PPO and 8.2 percent - HDHP percent decreasing to 6.0 percent) than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	$ 2,415,303	$ 2,838,424	$ 3,379,075

OPEB Expense Related to OPEB

For the year ended December 31, 2020, the Village recognized OPEB expense of $484,918.

Subsequent Event

The federal government passed the American Rescue Plan Act on March 11, 2021 to respond to the COVID-19 public health emergency and its negative economic impacts. Amounts were appropriated for fiscal year 2021 to units of local government to mitigate the fiscal effects stemming from the public health emergency. The Village's estimated award is $975,163, which will be used to combat the negative effects of the public health emergency in the local economy. The Village will receive 50% of the funds in June 2021, with the remaining expected a year later. The funds are to cover costs incurred by December 31, 2024.

Tax Abatement

Tax abatements are a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

The Village is disclosing all abatement agreements individually.

The Village rebates certain taxes to recruit, retain or improve local business facilities or their supporting public infrastructure under certain circumstances. The terms of these rebate arrangements are specified within written agreements with the businesses concerned.

In November 2010, the Village entered into a ten-year sales tax rebate program with a company. The Village is required to rebate 50 percent of any home-rule sales tax revenue generated; provided annual sales exceed $100,000. At December 31, 2020, the Village has incurred an estimated rebate liability of $12,912 for amounts collected by the state through December 31, 2020. To date, the Village has rebated approximately $1,057,888 of home-rule sales tax to this company.

In 2018, the Village entered into a 10-year sales tax municipal tax rebate program with a company. The Village is required to rebate 50 percent of any municipal tax generated including applicable food & beverage and home-rule sales tax; not to exceed $100,000 per sales tax year. The agreement ends the earlier of when $250,000 is rebated or when the 10 year period has ended. At December 31, 2020, the Village has incurred an estimated rebated liability of $1,038. To date, the Village has rebated approximately $60,520 of municipal taxes to this company.

Effect of New Accounting Standards on Current-Period Financial Statements

The Governmental Accounting Standards Board (GASB) has approved the following:

- Statement No. 87, *Leases*
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- Statement No. 90, *Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61*
- Statement No. 91, *Conduit Debt Obligations*
- Statement No. 92, *Omnibus 2020*
- Statement No. 93, *Replacement of Interbank Offered Rates*
- Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*
- Statement No. 96, *Subscription-Based Information Technology Arrangements*
- Statement No. 97, *Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statements No. 14 and No. 84 and a supersession of GASB Statement No. 32*

When they become effective, application of these standards may restate portions of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Village of Lincolnshire

Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual General Corporate Fund
Year Ended December 31, 2020

	Original and Final Appropriation	Original Budget	Final Budget	Actual
Revenues				
Property taxes	$ -	$ 1,697,000	$ 1,697,000	$ 1,580,905
Other taxes	-	9,304,000	9,304,000	7,034,562
Licenses, permits and fees	-	814,050	814,050	630,646
Fines and forfeitures	-	234,000	234,000	232,823
Intergovernmental	-	458,000	458,000	1,046,307
Investment income	-	240,000	240,000	390,682
Miscellaneous	-	87,300	87,300	67,553
Total revenues	-	12,834,350	12,834,350	10,983,478
Expenditures				
General government	2,434,710	2,368,370	2,368,370	2,241,310
Public safety	4,904,810	4,553,210	4,553,210	4,443,515
Community and economic development	1,226,020	1,076,740	1,256,740	849,983
Public works	1,830,510	1,801,390	1,821,390	1,655,982
Parks and open spaces	1,496,100	1,469,290	1,469,290	1,256,355
Total expenditures	11,892,150	11,269,000	11,469,000	10,447,145
Excess (deficiency) of revenues over expenditures	(11,892,150)	1,565,350	1,365,350	536,333
Other Financing Sources (Uses)				
Transfers out	(3,085,480)	(1,326,180)	(1,326,180)	(851,283)
Total other financing sources (uses)	(3,085,480)	(1,326,180)	(1,326,180)	(851,283)
Net change in fund balance	$ (14,977,630)	$ 239,170	$ 39,170	(314,950)
Fund Balance, Beginning				7,745,557
Fund Balance, Ending				$ 7,430,607

See notes to required supplementary information

Village of Lincolnshire

Illinois Municipal Retirement Fund
Schedule of Changes in the Employer's Net Pension Liability and Related Ratios
Last Six Fiscal Years

	2014	2015	2016
Total Pension Liability			
Service cost	$ 341,442	$ 313,571	$ 311,006
Interest	1,300,553	1,397,410	1,459,744
Differences between expected and actual experience	(159,731)	(159,981)	(214,365)
Changes of assumptions	564,270	-	(76,478)
Benefit payments, including refunds of member contributions	(691,886)	(687,105)	(743,424)
Net change in total pension liability	1,354,648	863,895	736,483
Total pension liability, beginning	17,539,083	18,893,731	19,757,626
Total pension liability, ending (a)	$ 18,893,731	$ 19,757,626	$ 20,494,109
Plan Fiduciary Net Position			
Employer contributions	$ 614,250	$ 596,673	$ 446,418
Employee contributions	145,229	137,799	126,457
Net investment income	907,263	79,064	1,114,205
Benefit payments, including refunds of member contributions	(691,886)	(687,105)	(743,424)
Other (net transfer)	(25,139)	198,897	(111,456)
Net change in plan fiduciary net position	949,717	325,328	832,200
Plan fiduciary net position, beginning	14,839,373	15,789,090	16,114,418
Plan fiduciary net position, ending (b)	$ 15,789,090	$ 16,114,418	$ 16,946,618
Employer's Net Pension Liability (Asset), Ending (a) - (b)	$ 3,104,641	$ 3,643,208	$ 3,547,491
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.57%	81.56%	82.69%
Covered Payroll	$ 2,841,986	$ 2,892,964	$ 2,810,162
Employer's Net Pension Liability as a Percentage of Covered Payroll	109.24%	125.93%	126.24%

The Village implemented GASB Statement No. 68 In fiscal year 2015. Information prior to fiscal year 2015 is not available.

See notes to required supplementary information

2017	2018	2019
$ 300,876	$ 280,625	$ 295,495
1,516,508	1,561,154	1,638,470
301,444	331,724	(546,879)
(596,880)	650,699	-
(848,869)	(984,235)	(1,110,645)
673,079	1,839,967	276,441
20,494,109	21,167,188	23,007,155
$ 21,167,188	$ 23,007,155	$ 23,283,596
$ 388,559	$ 422,412	$ 406,130
123,482	128,784	135,477
2,921,375	(1,013,933)	3,441,700
(848,869)	(984,235)	(1,110,645)
(257,087)	418,615	(470,225)
2,327,460	(1,028,357)	2,402,437
16,946,618	19,274,078	18,245,721
$ 19,274,078	$ 18,245,721	$ 20,648,158
$ 1,893,110	$ 4,761,434	$ 2,635,438
91.06%	79.30%	88.68%
$ 2,744,060	$ 2,861,874	$ 3,010,607
68.99%	166.37%	87.54%

See notes to required supplementary information

Illinois Municipal Retirement Fund
Schedule of Employer Contributions
Last Six Fiscal Years

Fiscal Year Ended December 31,	2015	2016	2017
Actuarially Determined Contribution	$ 446,674	$ 438,803	$ 388,559
Contributions in relation to the actuarially determined contribution	(446,674)	(438,803)	(388,559)
Contribution deficiency (excess)	$ -	$ -	$ -
Covered Payroll	$ 2,892,964	$ 2,810,162	$ 2,744,060
Contributions as a Percentage of Covered Payroll	15.44%	15.61%	14.16%

Notes to Schedule

The Village implemented GASB Statement No. 68 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

The Village made additional voluntary contributions of $150,000 and $10,000 for the respective fiscal years ended December 31, 2015 and December 31, 2016.

Methods and Assumptions Used to Determine Contribution Rates

Actuarial cost method	Aggregate Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	24 years
Asset valuation method	5-Year Smoothed Market, 20% corridor
Wage growth	3.25%
Inflation	2.50%
Salary increases	3.35% to 14.25%, including inflation
Investment rate of return	7.50%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	RP-2014 Employee Mortality Table, adjusted to match current IMRF experience

Other Information

There were no benefit changes during the year.

See notes to required supplementary information

2018	2019	2020
$ 422,413	$ 406,131	$ 491,825
(422,412)	(406,131)	(491,825)
$ 1	$ -	$ -
$ 2,861,874	$ 3,010,607	$ 3,118,738
14.76%	13.49%	15.77%

See notes to required supplementary information

Village of Lincolnshire

Police Pension Fund
Schedule of Changes in the Employer's Net Pension Liability and Related Ratios
Last Seven Fiscal Years

	2014	2015	2016
Total Pension Liability			
Service cost	$ 543,025	$ 535,944	$ 568,266
Interest	1,466,549	1,561,977	1,607,524
Differences between expected and actual experience	434,345	(459,019)	359,920
Changes of assumptions	-	-	-
Changes of benefit terms	-	-	-
Benefit payments, including refunds of member contributions	(977,078)	(960,345)	(980,658)
Net change in total pension liability	1,466,841	678,557	1,555,052
Total pension liability, beginning	22,507,801	23,974,642	24,653,199
Total pension liability, ending (a)	$ 23,974,642	$ 24,653,199	$ 26,208,251
Plan Fiduciary Net Position			
Employer contributions	$ 589,303	$ 618,665	$ 833,131
Employee contributions	232,179	208,270	210,892
Contributions, other	10	15	23
Net investment income	469,087	(270,351)	1,306,857
Benefit payments, including refunds of member contributions	(977,078)	(960,345)	(980,658)
Administration	(22,328)	(28,855)	(27,865)
Net change in plan fiduciary net position	291,173	(432,601)	1,342,380
Plan fiduciary net position, beginning	19,161,108	19,452,281	19,019,680
Plan fiduciary net position, ending (b)	$ 19,452,281	$ 19,019,680	$ 20,362,060
Employer's Net Pension Liability, Ending (a) - (b)	$ 4,522,361	$ 5,633,519	$ 5,846,191
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.14%	77.15%	77.69%
Covered Payroll	$ 2,082,705	$ 2,101,615	$ 2,150,195
Employer's Net Pension Liability as a Percentage of Covered Payroll	217.14%	268.06%	271.89%

Notes To Schedule

The Pension implemented GASB Statement No. 67 in fiscal year 2014. Information prior to fiscal year 2014 is not available.

See notes to required supplementary information

2017	2018	2019	2020
$ 575,596	$ 516,599	$ 592,873	$ 630,814
1,694,486	1,767,419	1,847,798	1,954,038
249,838	196,223	(210,106)	293,935
-	-	689,733	-
-	-	66,512	-
(1,429,667)	(1,248,114)	(1,426,737)	(1,313,425)
1,090,253	1,232,127	1,560,073	1,565,362
26,208,251	27,298,504	28,530,631	30,090,704
$ 27,298,504	$ 28,530,631	$ 30,090,704	$ 31,656,066
$ 803,700	$ 850,296	$ 852,925	$ 910,154
215,212	205,423	234,115	260,748
149	-	-	-
2,772,144	(1,469,581)	3,824,259	3,560,995
(1,429,667)	(1,248,114)	(1,426,737)	(1,313,425)
(32,955)	(32,563)	(29,441)	(28,709)
2,328,583	(1,694,539)	3,455,121	3,389,763
20,362,060	22,690,643	20,996,104	24,451,225
$ 22,690,643	$ 20,996,104	$ 24,451,225	$ 27,840,988
$ 4,607,861	$ 7,534,527	$ 5,639,479	$ 3,815,078
83.12%	73.59%	81.26%	87.95%
$ 2,028,220	$ 2,324,325	$ 2,390,785	$ 2,478,772
227.19%	324.16%	235.88%	153.91%

See notes to required supplementary information

Police Pension Fund
Schedule of Employer Contributions
Last Ten Fiscal Years

	2011	2012	2013	2014
Actuarially determined contribution	$ 563,551	$ 514,585	$ 545,957	$ 527,434
Contributions in relation to the actuarially determined contribution	563,551	514,585	545,957	527,434
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Additional voluntary contributions	$ 469,289	$ 446,936	$ 513,790	$ 61,869
Covered payroll	$ 1,902,849	$ 1,923,608	$ 2,058,866	$ 2,082,705
Contributions as a percentage of covered-employee payroll	29.62%	26.75%	26.52%	25.32%

Notes to Schedule:

The Plan implemented GASB Statement No. 67 in fiscal year 2014. Information prior to fiscal year 2014 is derived from actuarial valuations developed in conformity with GASB Statement No. 25 and 27.

Valuation date: Actuarially determined contributions are calculated as of December 31 of the current fiscal year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level dollar method
Remaining amortization method	20 years
Asset valuation method	Market value
Inflation	2.50%
Salary increases	Age based from 3.62% to 7.36%
Postretirement benefit increase	Tier 1: 3.00% compounded annually; Tier 2: 1.25% compounded annually
Investment rate of return	6.50%
Mortality	**Active Lives:** PubS-2010 Employee Mortality Table. 10% of active deaths are assumed to be in the line of duty. **Inactive Lives:** PubS-2010 Healthy Retiree Mortality Table. **Disabled Lives:** PubS-2010 Disabled Mortality Table. **Beneficiary Lives:** PubS-2010 Survivor Mortality Table. The mortality assumptions for all participants include mortality improvement projected 5 years beyond the valuation date using scale MP-2020.

2015	2016	2017	2018	2019	2020
$ 623,208	$ 783,607	$ 803,666	$ 849,742	$ 832,137	$ 1,030,790
618,665	783,607	803,666	849,742	832,137	910,154
$ 4,543	$ -	$ -	$ -	$ -	$ 120,636
$ -	$ 49,524	$ 34	$ 554	$ 20,788	$ -
$ 2,101,615	$ 2,150,195	$ 2,028,220	$ 2,324,325	$ 2,390,785	$ 2,478,772
29.44%	36.44%	39.62%	36.58%	35.68%	36.72%

See notes to required supplementary information

Police Pension Fund
Schedule of Investment Returns
Last Seven Fiscal Years

	2014	2015	2016	2017
Annual money-weighted rate of return, net of investment expense	2.53%	(1.35%)	6.87%	13.75%

Notes to Schedule

The Pension implemented GASB Statement No. 67 in fiscal year 2014. Information prior to fiscal year 2014 is not available.

2018	2019	2020
(6.46%)	18.40%	14.70%

See notes to required supplementary information

Village of Lincolnshire

Postretirement Health Plan
Schedule of Changes in the Employer's Total OPEB Liability and Related Ratios
Last Three Fiscal Years

	2018	2019	2020
Total OPEB Liability			
Service cost	$ 41,180	$ 38,829	$ 21,091
Interest	73,742	82,459	66,059
Difference between expected and actual experience	-	-	32,931
Changes of assumptions	(147,537)	385,756	364,837
Benefit payments, including refunds of member contributions	(95,589)	(100,431)	(114,837)
Net change in total OPEB liability	(128,204)	406,613	370,081
Total OPEB liability, beginning	2,189,934	2,061,730	2,468,343
Total OPEB liability, ending	$ 2,061,730	$ 2,468,343	$ 2,838,424
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.00%	0.00%	0.00%
Covered Payroll	$ 4,934,763	$ 5,373,016	$ 5,952,389
Employer's Total OPEB Liability as a Percentage of Covered Payroll	41.78%	45.94%	47.69%

Notes to Schedule

The Village implemented GASB Statement No. 75 in fiscal year 2018. Information prior to fiscal year 2018 is not available.

See notes to required supplementary information

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level. All annual appropriations lapse at fiscal year end.

In establishing the budget, the Village Manager submits to the Board of Trustees the proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. The Village Board of Trustees conducts several public budget review meetings to discuss the proposed budget. A public hearing is conducted to obtain taxpayer comments on the proposed fiscal year appropriation ordinance. The fiscal year appropriation, which is equal to the budgetary limits established by the Board of Trustees, is legally enacted for all applicable funds.

The appropriated budget is prepared by fund, function and department. Transfers of appropriations within a fund may only be made with the approval of the Board of Trustees. Transfers of appropriations between funds require the approval of the Board of Trustees. The legal level of budgetary control is the fund level.

SUPPLEMENTARY INFORMATION

Village of Lincolnshire

Detailed Schedule of Revenues, Budget and Actual
General Corporate Fund
Year Ended December 31, 2020

	Original and Final Budget	Actual
Property Taxes		
Police pension fund	$ 959,500	$ 910,154
Police protection	157,500	185,477
IMRF	301,000	238,086
FICA	211,000	190,582
Road and bridge	68,000	56,606
Total property taxes	1,697,000	1,580,905
Other Taxes		
State income	760,000	801,126
Sales	1,700,000	1,242,259
Home rule sales	1,484,000	1,089,131
Utility	1,300,000	1,150,147
Telecommunication	1,040,000	953,406
Room and admissions	1,800,000	581,881
Real estate transfer	250,000	495,247
Food and beverage	740,000	388,915
Miscellaneous tax	-	7,597
State use	230,000	324,853
Total other taxes	9,304,000	7,034,562
Licenses and Permits		
SWALCO rebate	1,000	-
Liquor licenses	70,000	66,500
Beach tags	8,100	-
Park user fees	20,000	30,403
Amusement devices	1,400	1,375
Application fees	2,500	450
Engineering fees	21,000	14,173
Planner fees	14,000	7,374
Plan review fees	112,000	81,101
Building permit fees	220,000	200,083
Fire review and inspection fees	120,000	34,220
Elevator inspection fees	20,500	9,665
Engineering review and inspection fees	15,000	3,938
Miscellaneous licenses and fees	1,000	3,025
Cable TV franchise fees	179,000	174,812
Yardwaste refuse stickers	7,800	1,777
Waste hauler fees	750	1,750
Total licenses and permits	814,050	630,646

Village of Lincolnshire

Detailed Schedule of Revenues, Budget and Actual
General Corporate Fund
Year Ended December 31, 2020

	Original and Final Budget	Actual
Fines and Forfeitures		
Court fines	$ 200,000	$ 199,121
False alarm fines and fees	4,000	7,102
Other law and ordinance violations	30,000	26,600
Total fines and forfeitures	234,000	232,823
Intergovernmental		
Police grant	38,000	18,544
E911 surcharges	-	367,515
Miscellaneous revenues	420,000	327,157
Miscellaneous grants	-	333,091
Total intergovernmental	458,000	1,046,307
Investment Income	240,000	390,682
Miscellaneous		
Miscellaneous income	87,300	67,553
Total miscellaneous	87,300	67,553
Total revenues	$ 12,834,350	$ 10,983,478

Village of Lincolnshire

Detailed Schedule of Expenditures, Budget and Actual
General Corporate Fund
Year Ended December 31, 2020

	Original And Final Appropriation	Original Budget	Final Budget	Actual
General Government				
Administration services:				
Personnel services:				
Regular salaries	$ 347,380	$ 240,500	$ 240,500	$ 254,885
Part time wages	-	40,000	40,000	35,002
Overtime salaries	-	-	-	33
IMRF	-	37,930	37,930	47,549
FICA	-	21,460	21,460	17,210
Total personnel services	347,380	339,890	339,890	354,679
Contractual services:				
Equipment maintenance	-	200	200	-
Professional services	-	3,000	3,000	-
Total contractual services	-	3,200	3,200	-
Other charges:				
Memberships	-	11,700	11,700	12,666
Vehicle allowance	-	4,800	4,800	4,800
Professional development	-	6,500	6,500	952
Publications	-	600	600	425
Classified advertisements	-	1,500	1,500	575
Boards and commissions	-	1,000	1,000	-
Business expenditures	-	6,000	6,000	7,371
Total other charges	-	32,100	32,100	26,789
Total administrative services	347,380	375,190	375,190	381,468
Finance:				
Personnel services:				
Regular salaries	319,540	248,000	248,000	246,463
Part time wages	-	15,000	15,000	15,111
Overtime salaries	-	500	500	-
IMRF	-	41,560	41,560	42,654
FICA	-	20,160	20,160	18,555
Total personnel services	319,540	325,220	325,220	322,783

Detailed Schedule of Expenditures, Budget and Actual
General Corporate Fund
Year Ended December 31, 2020

	Original And Final Appropriation	Original Budget	Final Budget	Actual
Contractual services:				
Printing	$ -	$ 700	$ 700	$ 930
Equipment maintenance	-	220	220	-
Professional services	-	20,620	20,620	19,968
Legal notices	-	1,000	1,000	736
Outside services	-	50	50	-
Total contractual services	-	22,590	22,590	21,634
Other charges:				
Memberships	-	700	700	409
Professional development	-	2,900	2,900	-
Minor equipment	-	300	300	-
Business expenditures	-	500	500	494
Total other charges	-	4,400	4,400	903
Total finance	319,540	352,210	352,210	345,320
Insurance and common:				
Contractual services:				
Telephone	1,767,790	16,680	16,680	15,580
Printing	-	16,850	16,850	12,902
Equipment maintenance	-	420	420	420
Professional services	-	161,900	161,900	85,127
Data systems	-	43,610	43,610	39,471
Postage	-	9,900	9,900	9,572
Duplicating	-	3,600	3,600	5,593
Medical insurance	-	876,470	876,470	888,012
General insurance	-	217,780	217,780	221,699
Outside services	-	203,660	203,660	204,289
Total contractual services	1,767,790	1,550,870	1,550,870	1,482,665
Commodities:				
Office supplies	-	13,000	13,000	7,204
Total commodities	-	13,000	13,000	7,204

	Original And Final Appropriation	Original Budget	Final Budget	Actual
Other charges:				
Senior citizen tax relief	$ -	$ 3,500	$ 3,500	$ 1,203
Drone licensing	-	1,500	1,500	999
Bad debt provision	-	-	-	297
Total other charges	-	5,000	5,000	2,499
Capital outlay:				
Office equipment	-	7,100	7,100	7,100
Computer equipment	-	65,000	65,000	15,054
Total capital outlay	-	72,100	72,100	22,154
Total insurance and common	1,767,790	1,640,970	1,640,970	1,514,522
Total general government	2,434,710	2,368,370	2,368,370	2,241,310
Public Safety				
Police:				
Personnel services:				
Regular salaries	2,977,700	2,707,000	2,707,000	2,718,085
Part time wages	-	31,600	31,600	30,282
Overtime salaries	-	215,000	215,000	108,176
Overtime contract services	-	35,000	35,000	11,037
Retirement reserves	1,927,110	959,500	959,500	910,154
Other benefits	-	3,000	3,000	-
IMRF	-	36,800	36,800	29,701
FICA	-	57,500	57,500	52,957
Total personnel services	4,904,810	4,045,400	4,045,400	3,860,392
Contractual services:				
Printing	-	6,100	6,100	1,743
Equipment maintenance	-	20,490	20,490	11,839
Professional services	-	96,300	96,300	81,915
Outside services	-	1,200	1,200	450
Dispatch services	-	-	-	187,922
Data systems	-	39,870	39,870	27,643
Total contractual services	-	163,960	163,960	311,512
Commodities:				
Maintenance materials	-	45,300	45,300	27,262
Total commodities	-	45,300	45,300	27,262

	Original And Final Appropriation	Original Budget	Final Budget	Actual
Other charges:				
Memberships	$ -	$ 5,000	$ 5,000	$ 4,535
Vehicle allowance	-	179,160	179,160	178,914
Professional development	-	59,340	59,340	22,842
Publications	-	550	550	586
Uniforms	-	32,500	32,500	23,797
Community programs	-	9,500	9,500	1,163
Officer testing	-	1,000	1,000	502
Equipment - furniture	-	1,000	1,000	3,563
Minor equipment	-	5,500	5,500	5,278
Business expenditures	-	5,000	5,000	3,169
Total other charges	-	298,550	298,550	244,349
Total public safety	4,904,810	4,553,210	4,553,210	4,443,515
Community and Economic Development				
Administration:				
Personnel services:				
Regular salaries	1,226,020	374,000	374,000	382,572
Part time wages	-	39,000	39,000	37,889
IMRF	-	65,130	65,130	66,169
FICA	-	31,600	31,600	32,034
Total personnel services	1,226,020	509,730	509,730	518,664
Contractual services:				
Vehicle allowance	-	5,090	5,090	5,090
Professional services	-	145,000	145,000	72,588
Legal notices	-	150	150	414
Outside services	-	46,300	46,300	1,760
Total contractual services	-	196,540	196,540	79,852

	Original And Final Appropriation	Original Budget	Final Budget	Actual
Other charges:				
Professional development	$ -	$ 7,210	$ 7,210	$ 2,682
Publications	-	500	500	122
Boards and commissions	-	100	100	-
Business expenditures	-	32,460	32,460	36,510
Economic development initiatives	-	10,000	10,000	2,878
Economic development incentives	-	320,000	500,000	209,275
Equipment and clothing	-	200	200	-
Total other charges	-	370,470	550,470	251,467
Total community and economic development	1,226,020	1,076,740	1,256,740	849,983
Public Works				
Administration:				
Personnel services:				
Regular salaries	258,090	179,000	179,000	181,975
Overtime salaries	-	1,000	1,000	-
IMRF	-	28,400	28,400	29,660
FICA	-	13,800	13,800	13,573
Total personnel services	258,090	222,200	222,200	225,208
Contractual services:				
Professional services	-	36,000	36,000	18,828
Legal notices	-	1,000	1,000	632
Outside services	-	4,500	4,500	4,800
Total contractual services	-	41,500	41,500	24,260
Other charges:				
Memberships	-	5,000	5,000	4,514
Vehicle allowance	-	1,130	1,130	1,125
Professional development	-	5,000	5,000	3,000
Business expenditures	-	1,000	1,000	674
Total other charges	-	12,130	12,130	9,313
Capital outlay:				
Office charges	-	1,000	1,000	794
Total capital outlay	-	1,000	1,000	794
Total administration	258,090	276,830	276,830	259,575

Detailed Schedule of Expenditures, Budget and Actual
General Corporate Fund
Year Ended December 31, 2020

	Original And Final Appropriation	Original Budget	Final Budget	Actual
Streets:				
Personnel services:				
Regular salaries	$ 1,389,150	$ 415,200	$ 415,200	$ 419,798
Part time wages	-	16,000	16,000	-
Overtime salaries	-	57,000	57,000	27,355
IMRF	-	74,500	74,500	72,384
FICA	-	37,400	37,400	38,280
Total personnel services	1,389,150	600,100	600,100	557,817
Contractual services:				
Equipment maintenance	-	500	500	-
Electric utilities	-	12,500	12,500	8,686
Pavement maintenance	-	53,000	53,000	52,954
Outside services	-	410,500	430,500	371,424
Total contractual services	-	476,500	496,500	433,064
Commodities:				
Maintenance materials	-	20,900	20,900	12,911
Repair and replacement	-	13,500	13,500	11,671
Construction materials	-	5,900	5,900	3,417
Snow and ice control	-	72,500	72,500	56,959
Total commodities	-	112,800	112,800	84,958
Other charges:				
Vehicle allowance	-	153,850	153,850	153,845
Professional development	-	3,500	3,500	543
Uniforms	-	5,600	5,600	6,121
Minor equipment	-	2,000	2,000	3,654
Recycling	-	3,100	3,100	3,364
Business expenditures	-	500	500	293
Total other charges	-	168,550	168,550	167,820
Total streets	1,389,150	1,357,950	1,377,950	1,243,659

Detailed Schedule of Expenditures, Budget and Actual
General Corporate Fund
Year Ended December 31, 2020

	Original And Final Appropriation	Original Budget	Final Budget	Actual
Building and grounds:				
Contractual services:				
Equipment maintenance	$ 183,270	$ 500	$ 500	$ -
Outside services	-	139,020	139,020	125,058
Total contractual services	183,270	139,520	139,520	125,058
Commodities:				
Maintenance materials	-	15,000	15,000	15,458
Repair and replacement	-	1,000	1,000	847
Construction materials	-	3,000	3,000	2,978
Total commodities	-	19,000	19,000	19,283
Other charges:				
Minor equipment	-	2,000	2,000	3,257
Vehicle allowance	-	5,090	5,090	5,090
Business expenditures	-	1,000	1,000	60
Total other charges	-	8,090	8,090	8,407
Total building and grounds	183,270	166,610	166,610	152,748
Total public works	1,830,510	1,801,390	1,821,390	1,655,982
Parks and Open Spaces				
Parks and grounds:				
Personnel services:				
Regular salaries	1,496,100	415,200	415,200	420,189
Part time wages		49,000	49,000	4,800
Overtime salaries	-	35,000	35,000	4,361
IMRF	-	71,000	71,000	68,793
FICA	-	38,200	38,200	26,901
Total personnel services	1,496,100	608,400	608,400	525,044

Detailed Schedule of Expenditures, Budget and Actual
General Corporate Fund
Year Ended December 31, 2020

	Original And Final Appropriation	Original Budget	Final Budget	Actual
Contractual services:				
Equipment maintenance	$ -	$ 500	$ 500	$ 604
Professional services	-	77,380	77,380	74,997
Gas utilities	-	2,600	2,600	1,811
Electric utilities	-	26,000	26,000	18,680
Outside services	-	101,500	101,500	122,983
Lighting maintenance	-	8,600	8,600	6,841
Landscape maintenance	-	324,500	324,500	321,075
Wildlife maintenance	-	1,000	1,000	380
Special events	-	137,000	137,000	15,091
Total contractual services	-	679,080	679,080	562,462
Commodities:				
Maintenance materials	-	43,500	43,500	27,975
Repair and replacement	-	3,000	3,000	3,557
Construction materials	-	5,000	5,000	5,734
Total commodities	-	51,500	51,500	37,266
Other charges:				
Memberships	-	1,000	1,000	909
Vehicle allowance	-	118,210	118,210	118,205
Professional development	-	1,500	1,500	1,326
Publications	-	100	100	129
Uniforms	-	6,500	6,500	6,607
Minor equipment	-	2,500	2,500	4,350
Business expenditures	-	500	500	57
Total other charges	-	130,310	130,310	131,583
Total parks and open spaces	1,496,100	1,469,290	1,469,290	1,256,355
Total expenditures	$ 11,892,150	$ 11,269,000	$ 11,469,000	$ 10,447,145

Village of Lincolnshire

Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Special Service Area Debt Service Fund
Year Ended December 31, 2020

	Original and Final Appropriation	Original and Final Budget	Actual
Revenues			
Property		$ 1,159,690	$ 1,153,485
Investment income		21,000	18,650
Total revenues		1,180,690	1,172,135
Expenditures			
General government:			
Contractual services	$ 18,280	$ 16,620	$ 6,570
Debt service:			
Principal retirement	1,280,480	1,164,070	470,000
Interest and fiscal charges	-	-	679,375
Total expenditures	$ 1,298,760	1,180,690	1,155,945
Net change in fund balance		$ -	16,190
Fund Balance, Beginning			2,196,723
Fund Balance, Ending			$ 2,212,913

Village of Lincolnshire

Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
General Capital Projects Fund
Year Ended December 31, 2020

	Original and Final Appropriation	Original Budget	Final Budget	Actual
Revenues				
Intergovernmental:				
Miscellaneous grants	$ -	$ -	$ -	$ 37,900
Miscellaneous:				
Donations	-	-	-	5,175
Other income	-	917,740	917,740	71,405
Total revenue	-	917,740	917,740	114,480
Expenditures				
General government:				
Contractual services	-	107,500	107,500	69,802
Capital outlay	4,544,000	-	-	-
Vehicles	-	150,000	150,000	-
Trailer #267	-	7,500	7,500	7,089
Utility Cart (Bobcat)	-	20,000	20,000	18,569
Utility Cart (Club Car)	-	12,000	12,000	8,833
Utility Cart- Workman MDX(706)	-	15,000	15,000	14,031
Brine Maker	-	75,000	75,000	68,829
Shop Equip- Diagnostic Scan Tool	-	15,000	15,000	14,960
North Village Green	-	5,000	5,000	-
Storm Sewer Capacity Study	-	50,000	50,000	60,880
Infra- Storm Sewer Lining	-	20,000	20,000	1,012
Storm Line Replacement	-	260,000	260,000	182,045
Lincolnshire Creek- Coventry South Const	-	-	-	2
Mayfair Detention/ Storm Line Phase 1&2	-	15,000	15,000	13,875
Infra- Storm Sewer Lincolnshire Dr	-	175,000	175,000	120,981
Street Name Sign/ Post Rpl	-	7,500	7,500	7,048
Infra- Road Resurfacing	-	1,100,000	1,100,000	692,113
Engineering- Road Resurfacing 1 2 3	-	285,000	285,000	235,147
Whytegate Tennis Ct Resurface	-	125,000	150,000	107,580
North Park Lean To- Construction	-	-	70,000	42,261
Rivershire Fence Replacement	-	50,000	50,000	55,845
Whytegate Pk Fence Reloc Clearing	-	10,000	10,000	3,535
Misc Parks Lighting Upgrade	-	100,000	100,000	91,932
Infr Cor Enhance Prog- Riverwoods Road	-	200,000	200,000	29,860
Infr Cor Enhanc Prog- Westminster Way	-	64,000	64,000	11,780
Bike Path Resurf- Various Areas	-	315,000	315,000	272,405
North Park- Parking Lot Resurfacing	-	340,000	340,000	352,380
North Park- Outfield	-	-	5,500	-
Rivershire Park - Bridge	-	30,000	30,000	-
Park Sign/ Post Replacements	-	15,000	15,000	1,059
Village Kiosk Replacement	-	100,000	100,000	-
Prof Svc- Park Entry Sign Design	-	-	25,000	12,660
Flooring Replace- VH	-	120,000	120,000	8,850
Various Concrete Capstone Replace	-	95,000	95,000	193,321
Security Improvements- VH	-	80,000	90,000	5,550
Security System- PWF	-	40,000	50,000	9,250
Emergency Power Upgrades- VH	-	7,500	7,500	7,425
Drink Fountain Faucet	-	20,000	20,000	-
Window Treatment - PWF	-	10,000	10,000	-
Site Improvements- PWF	-	25,000	25,000	25,000
Microlink Connection - VH	-	-	85,000	-
Parking Lot Resurface- PWF	-	250,000	250,000	137,907
Total expenditure	$ 4,544,000	$ 4,316,000	$ 4,546,500	$ 2,883,816
Excess (deficiency) of revenues over (under) expenditures	$ -	$ (3,398,260)	$ (3,628,760)	$ (2,769,336)
Other Financing Sources (Uses)				
Transfers in	-	(112,070)	(112,070)	1,566,409
Total other financing sources (uses)	-	(112,070)	(112,070)	1,566,409
Net change in fund balance	$ -	$ (3,510,330)	$ (3,740,830)	(1,202,927)
Fund Balance, Beginning				9,305,686
Fund Balance, Ending				$ 8,102,759

Nonmajor Governmental Funds

Special Revenue Funds

Motor fuel tax fund - to account for the receipt and use of the Village's share of state gasoline taxes. State law restricts these gasoline taxes to be used to maintain streets, traffic signals, etc.

Fraud, alcohol and drug fund - to account for the receipt and tracking of seized assets related to the police operations of the Village.

Capital Projects Fund

Park development capital projects fund - to account for the receipt of park donations from developers. The Village Code requires that all developers make a donation of park land to accommodate the residents of a new development. The Village Code allows the Village to accept cash in lieu of land when the amount of land required from the developer is too small for a meaningful park, there are adequate park facilities in the area, or for other reasons the Village Board of Trustees may find appropriate.

Village of Lincolnshire

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2020

	Special Revenue Funds			Park Development Capital Projects Fund	Total Nonmajor Governmental Funds
	Motor Fuel Tax Fund	Fraud, Alcohol and Drug Fund	Total Special Revenue Funds		
Assets					
Cash and cash equivalents	$ 590,466	$ 297,624	$ 888,090	$ 748,326	$ 1,636,416
Investments	-	-	-	1,293,412	1,293,412
Receivables:					
Other taxes	24,150	-	24,150	-	24,150
Accounts	-	153	153	-	153
Total assets	$ 614,616	$ 297,777	$ 912,393	$ 2,041,738	$ 2,954,131
Liabilities and Fund Balance					
Liabilities					
Accounts payable	$ -	$ 231,353	$ 231,353	$ -	$ 231,353
Total liabilities	-	231,353	231,353	-	231,353
Fund Balances					
Restricted for maintenance of roadways	614,616	-	614,616	-	614,616
Restricted for public safety	-	66,424	66,424	-	66,424
Restricted for park improvements	-	-	-	1,900,268	1,900,268
Assigned for capital projects	-	-	-	141,470	141,470
Total fund balances	614,616	66,424	681,040	2,041,738	2,722,778
Total liabilities and fund balance	$ 614,616	$ 297,777	$ 912,393	$ 2,041,738	$ 2,954,131

Village of Lincolnshire

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended December 31, 2020

	Special Revenue Funds				
	Motor Fuel Tax Fund	Fraud, Alcohol and Drug Fund	Total Special Revenue Funds	Park Development Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues					
Fines and forfeitures	$ -	$ 3,176	$ 3,176	$ -	$ 3,176
Intergovernmental	442,891	-	442,891	-	442,891
Investment income	664	-	664	1,227	1,891
Donations	-	-	-	224,727	224,727
Total revenue	443,555	3,176	446,731	225,954	672,685
Expenditures					
Current:					
Public safety	-	78	78	-	78
Total expenditures	-	78	- 78	-	78
Excess (deficiency) of revenues over expenditures	443,555	3,098	446,653	225,954	672,607
Other Financing Sources (Uses)					
Transfers out	-	-	-	(986,028)	(986,028)
Total other financing sources (uses)	-	-	-	(986,028)	(313,421)
Net change in fund balance	443,555	3,098	446,653	(760,074)	(313,421)
Fund Balance, Beginning	171,061	63,326	234,387	2,801,812	3,036,199
Fund Balance, Ending	$ 614,616	$ 66,424	$ 681,040	$ 2,041,738	$ 2,722,778

Village of Lincolnshire

Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Motor Fuel Tax Fund
Year Ended December 31, 2019

	Original and Final Appropriation	Original and Final Budget	Actual
Revenues			
Intergovernmental:			
Allotments earned		$ 184,000	$ 283,074
Miscellaneous grants		-	159,817
Investment income		1,000	664
Total revenues		185,000	443,555
Expenditures			
Capital outlay	$ -	-	-
Total expenditure	$ -	-	-
Net change in fund balance		$ 185,000	443,555
Fund Balance, Beginning			171,061
Fund Balance, Ending			$ 614,616

Village of Lincolnshire

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Fraud, Alcohol and Drug Fund
Year Ended December 31, 2020

	Original and Final Appropriation	Original and Final Budget	Actual
Revenues			
Fines and forfeitures	$ -	$ -	$ 3,176
Total revenues	-	-	3,176
Expenditures			
Public safety	68,190	11,990	78
Total expenditures	68,190	11,990	78
Excess (deficiency) of revenues over (under) expenditures	(68,190)	(11,990)	3,098
Other Financing Sources (Uses)			
Transfers out	-	(50,000)	-
Total other financing sources (uses)	-	(50,000)	-
Net change in fund balance	$ (68,190)	$ (61,990)	3,098
Fund Balance, Beginning			63,326
Fund Balance, Ending			$ 66,424

Village of Lincolnshire

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Park Development Capital Projects Fund
Year Ended December 31, 2020

	Original and Final Appropriation	Original and Final Budget	Actual
Revenues			
Investment income	$ -	$ 5,500	$ 1,227
Park donations	-	172,670	224,727
Total revenues	-	178,170	225,954
Expenditures			
Capital outlay	1,148,400	-	-
Total expenditures	1,148,400	-	-
Excess (deficiency) of revenues over (under) expenditures	(1,148,400)	-	225,954
Other Financing Sources (Uses)			
Transfers out	-	(1,044,000)	(986,028)
Total other financing sources (uses)	-	(1,044,000)	(986,028)
Net change in fund balance	$ (1,148,400)	$ (865,830)	(760,074)
Fund Balance, Beginning			2,801,812
Fund Balance, Ending			$ 2,041,738

Enterprise Fund

Water and sanitary sewer fund - 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, capital improvements, financing and related debt service and billing and collections. These activities are accounted for in the revenue and improvement subfunds.

Village of Lincolnshire

Combining Schedule of Net Position
Water and Sanitary Sewer Fund
December 31, 2020

	Revenue Account	Improvement Account	Total
Current Assets			
Cash and cash equivalents	$ 957,445	$ 443,695	$ 1,401,140
Investments	207,161	219,727	426,888
Receivables:			
Accounts, billed	346,469	-	346,469
Accounts, unbilled	303,232	-	303,232
Due from other funds	1,251	270,902	272,153
Prepaid items	17,360	-	17,360
Total current assets	1,832,918	934,324	2,767,242
Capital Assets			
Nondepreciable	242,466	-	242,466
Depreciable (net of accumulated depreciation)	32,638,467	-	32,638,467
Net capital assets	32,880,933	-	32,880,933
Total assets	34,713,851	934,324	35,648,175
Deferred Outflows of Resources			
Pension items - IMRF	209,079	-	209,079
Total deferred outflows of resources	209,079	-	209,079
Current Liabilities			
Accounts payable	423,967	377,983	801,950
Accrued payroll	9,738	-	9,738
Compensated absences	33,611	-	33,611
Total current liabilities	467,316	1,312,307	845,299
Long-Term Liabilities			
Total OPEB liability	326,233	-	326,233
Net pension liability	583,401	-	583,401
Total long-term liabilities	909,634	-	909,634
Total liabilities	1,376,950	1,312,307	1,754,933
Deferred Inflows Of Resources			
Pension items - IMRF	306,913	-	306,913
Total deferred inflows of resources	306,913	-	306,913
Net Position			
Net investment in capital assets	32,880,933	-	32,880,933
Unrestricted	358,134	556,341	914,475
Total net position	$ 33,239,067	$ 556,341	$ 33,795,408

Village of Lincolnshire

Combining Schedule of Revenues, Expenses and Changes in Net Position
Water and Sanitary Sewer Fund
Year Ended December 31, 2020

	Revenue Account	Improvement Account	Eliminations	Total
Operating Revenues				
Charges for services	$ 4,827,111	$ -	$ -	$ 4,827,111
Miscellaneous	11,650	-	-	11,650
Total operating revenues	4,838,761	-	-	4,838,761
Operating Expenses				
Administration	679,802	-	-	679,802
Operations	4,092,224	102,919	-	4,195,143
Repairs and maintenance	-	205,971	-	205,971
Depreciation	1,717,879	-	-	1,717,879
Total operating expenses	6,489,905	308,890	-	6,798,795
Operating income (loss)	(1,651,144)	(308,890)	-	(1,960,034)
Nonoperating Revenues (expenses)				
Investment income	1,531	1,907	-	3,438
Connection fees	-	306,053	-	306,053
Total nonoperating revenues (expenses)	1,531	307,960	-	309,491
Net income (loss) before contributions and transfers	(1,649,613)	(930)	-	(1,650,543)
Contributions				
Contributions of capital assets	407,285	-	(407,285)	-
Total contributions	407,285	-	(407,285)	-
Transfers				
Transfers in	-	679,362	(408,460)	270,902
Transfers out	(408,460)	(407,285)	815,745	-
Total transfers	(408,460)	272,077	407,285	270,902
Change in net position	(1,650,788)	271,147	-	(1,379,641)
Net Position, Beginning	34,889,855	285,194	-	35,175,049
Net Position, Ending	$ 33,239,067	$ 556,341	$ -	$ 33,795,408

Village of Lincolnshire

Schedule of Revenues, Expenses and Changes in Net Position, Budget and Actual
Water and Sanitary Sewer Fund, Revenue Account
Year Ended December 31, 2020

	Original and Final Appropriation	Original Budget	Final Budget	Actual
Operating Revenues				
Charges for services:				
Water and sanitary sewer fees		$ 5,243,300	$ 5,243,300	$ 4,827,111
Miscellaneous:				
Other income		12,000	12,000	11,650
Total operating revenue		5,255,300	5,255,300	4,838,761
Operating Expenses				
Administration	$ -	522,210	523,650	679,802
Operations	5,711,150	4,259,840	4,269,540	4,092,224
Total operating expense excluding depreciation	$ 5,711,150	4,782,050	4,793,190	4,772,026
Operating income (loss) before depreciation		473,250	462,110	66,735
Depreciation		-	-	1,717,879
Operating income (loss)		473,250	462,110	(1,651,144)
Nonoperating Revenues (Expenses)				
Investment income		5,000	5,000	1,531
Loss on disposal of capital assets		-	-	-
Total nonoperating revenues (expenses)		5,000	5,000	1,531
Net income (loss) before contributions and transfers		478,250	467,110	(1,649,613)
Contributions				
Contributions of capital assets		-	-	407,285
Total contributions		-	-	407,285
Transfers				
Transfers out		(408,460)	(408,460)	(408,460)
Total transfers		(408,460)	(408,460)	(408,460)
Change in net position		$ 69,790	$ 58,650	(1,650,788)
Net Position, Beginning				34,889,855
Net Position, Ending				$ 33,239,067

Village of Lincolnshire

Schedule of Revenues, Expenses and Changes in Net Position, Budget and Actual
Water and Sanitary Sewer Fund, Improvement Account
Year Ended December 31, 2020

	Original and Final Appropriation	Original and Final budget	Actual
Operating Expenses			
Operations	$ -	$ 110,500	$ 102,919
Capital outlay	3,138,000	3,027,500	205,971
Total operating expense	$ 3,138,000	3,138,000	308,890
Operating income (loss)		(3,138,000)	(308,890)
Nonoperating Revenues (Expenses)			
Investment income		7,000	1,907
Connection fees		200,000	306,053
Total nonoperating revenues (expenses)		207,000	307,960
Net income (loss) before transfers		(2,931,000)	(930)
Transfers			
Transfers in		2,940,710	679,362
Transfers (out)		-	(407,285)
Total transfers		2,940,710	272,077
Change in net position		$ 9,710	$ 271,147
Net Position, Beginning			285,194
Net Position, Ending			$ 556,341

Village of Lincolnshire

Schedule of Operating Expenses, Budget and Actual
Water and Sanitary Sewer Fund, Revenue Account
Year Ended December 31, 2020

	Original and Final Appropriation	Original Budget	Final Budget	Actual
Administration				
Personnel services:				
Regular salaries	$ -	$ 207,060	$ 207,060	$ 218,494
Part time wages	-	15,000	15,000	14,673
IMRF	-	35,000	35,000	37,401
FICA	-	17,000	17,000	15,992
Pension expense	-	-	-	104,847
OPEB expense	-	-	-	42,042
Total personnel services	-	274,060	274,060	433,449
Contractual services:				
Telephone	-	21,170	21,170	21,313
Printing	-	11,110	11,110	10,710
Professional services	-	27,350	27,350	25,010
Data processing	-	4,900	4,900	4,458
Postage	-	9,900	9,900	9,572
Duplicating	-	400	400	622
Medical insurance	-	97,000	97,000	97,701
General insurance	-	51,710	51,710	52,338
Outside services	-	22,290	22,290	21,501
Total contractual services	-	245,830	245,830	243,225
Commodities:				
Office supplies	-	-	1,440	801
Total commodities	-	-	1,440	801
Other charges:				
Vehicle allowance	-	2,320	2,320	2,325
Bad debt expense	-	-	-	2
Total other charges	-	2,320	2,320	2,327
Total administration	-	522,210	523,650	679,802

Village of Lincolnshire

Schedule of Operating Expenses, Budget and Actual
Water and Sanitary Sewer Fund, Revenue Account
Year Ended December 31, 2020

	Original and Final Appropriation	Original Budget	Final Budget	Actual
Operations				
Personnel services:				
Regular salaries	$ 5,711,150	$ 428,000	$ 428,000	$ 407,617
Overtime salaries	-	30,000	30,000	11,358
IMRF	-	72,200	72,200	71,473
FICA	-	35,000	35,000	30,038
Total personnel services	5,711,150	565,200	565,200	520,486
Contractual services:				
Equipment maintenance	-	35,500	35,500	51,605
Professional services	-	39,000	39,000	26,772
Gas utilities	-	4,000	4,000	3,886
Electric utilities	-	80,000	80,000	94,918
Outside services	-	80,000	80,000	95,823
System maintenance	-	139,130	148,830	108,478
Water purchases	-	1,749,800	1,749,800	1,694,449
Sanitary sewer charges	-	1,446,000	1,446,000	1,366,277
Sanitary sewer transmission fees	-	7,800	7,800	12,425
Total contractual services	-	3,581,230	3,590,930	3,454,633
Commodities:				
Maintenance materials	-	17,950	17,950	20,018
Water meters	-	10,000	10,000	10,493
Total commodities	-	27,950	27,950	30,511
Other charges:				
Memberships	-	800	800	1,078
Professional development	-	550	550	173
Uniforms	-	4,000	4,000	4,396
Vehicle allowance	-	50,910	50,910	50,910
Minor equipment	-	1,200	1,200	3,581
Business expense	-	1,000	1,000	799
Hydrant replacement	-	27,000	27,000	25,657
Total other charges	-	85,460	85,460	86,594
Total operations	5,711,150	4,259,840	4,269,540	4,092,224
Total operating expenses	$ 5,711,150	$ 4,782,050	$ 4,793,190	$ 4,772,026

Village of Lincolnshire

Schedule of Operating Expenses, Budget and Actual
Water and Sanitary Sewer Fund, Improvement Account
Year Ended December 31, 2020

	Original And Final Appropriation	Original And Final Budget	Actual
Operations			
Other charges:			
Professional services	$ 3,138,000	$ 10,500	$ 8,208
System maintenance	-	100,000	94,711
Total personnel services	3,138,000	110,500	102,919
Capital Outlay			
Riverwoods watermain replacement	-	2,500,000	2,352
Miscellaneous repairs	-	157,500	79,524
WSR water quality improvements	-	160,000	24,950
Sanitary sewer engineering services	-	105,000	99,145
Sanitary sewer lining repairs	-	105,000	-
Total capital outlay	-	3,027,500	205,971
Total operating expenses	$ 3,138,000	$ 3,138,000	$ 308,890

Internal Service Fund

Vehicle maintenance and operations fund - to account for the costs of operating and maintaining vehicles used by various Village departments, with the costs for these functions allocated to the appropriate department.

Village of Lincolnshire

Schedule of Revenues, Expenses and Changes in Net Position, Budget and Actual
Vehicle Maintenance and Operations Fund
Year Ended December 31, 2020

	Original and Final Appropriation	Original and Final Budget	Actual
Operating Revenues			
Interfund services:			
General fund	$ -	$ 458,150	$ 458,140
Water and sanitary sewer fund	-	50,900	50,910
Total operating revenue	-	509,050	509,050
Operating Expenses			
Personnel services:			
Regular salaries	559,960	154,500	158,335
Overtime salaries	-	10,000	4,229
IMRF	-	26,000	26,042
FICA	-	12,600	12,701
Pension expense	-	-	21,405
OPEB expense	-	-	8,778
Total personnel services	559,960	203,100	231,490
Professional services:			
Equipment maintenance	-	3,000	3,199
Medical insurance	-	48,700	48,916
General insurance	-	17,200	17,487
Outside services	-	93,500	57,048
Total professional services	-	162,400	126,650
Commodities:			
Maintenance materials	-	10,300	9,704
Fuel expenditures	-	70,000	67,154
Oil and antifreeze	-	3,000	3,118
Vehicle tires	-	15,000	16,106
Vehicle maintenance parts	-	36,500	40,622
Total commodities	-	134,800	136,704

Village of Lincolnshire

Schedule of Revenues, Expenses and Changes in Net Position, Budget and Actual
Vehicle Maintenance and Operations Fund
Year Ended December 31, 2020

	Original and Final Appropriation	Original and Final Budget	Actual
Other charges:			
Memberships	$ -	$ 250	$ 205
Professional development	-	4,000	1,023
Publications	-	2,000	2,473
Uniforms	-	2,500	2,586
Total other charges	-	8,750	6,287
Total operating expenses	$ 559,960	509,050	501,131
Change in net position		$ -	7,919
Net Position (Deficit), Beginning			(149,155)
Net Position (Deficit), Ending			$ (141,236)

Fiduciary Fund

Village of Lincolnshire

Schedule of Changes in Fiduciary Net Position Budget and Actual
Police Pension Fund
Year Ended December 31, 2020

	Original and Final Appropriation	Original and Final Budget	Actual
Additions			
Employer		$ 959,500	$ 910,154
Employee contributions		249,300	260,748
Total contributions		1,208,800	1,170,902
Investment income:			
Interest earned on investments		494,000	619,750
Net appreciation in fair value of investments		-	3,008,505
Total investment income		494,000	3,628,255
Less investment expense		(66,000)	(67,260)
Net investment income		428,000	3,560,995
Total additions		1,636,800	4,731,897
Deductions			
Administrative	$ 1,873,080	36,800	28,709
Benefits	-	1,400,000	1,313,425
Refunds of contributions	-	200,000	-
Total deductions	$ 1,873,080	1,636,800	1,342,134
Change in fiduciary net position		$ -	3,389,763
Net Position, Beginning			24,451,225
Net Position, Ending			$ 27,840,988

Statistical Section

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

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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. 116

Revenue Capacity

These schedules contain information to help the reader assess the Village's most significant local revenue source, the sales tax. 121

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. 124

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within the Village's financial activities take place. 128

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the Village's financial report relates to the services the Village provides and the activities it performs. 131

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

Village of Lincolnshire

Net Position by Component
Last Ten Fiscal Years

	2011	2012	2013	2014	2015*	2016	2017	2018**	2019	2020
Governmental Activities										
Net investment in capital assets	$ 68,420,057	$ 70,013,193	$ 69,304,209	$ 69,798,415	$ 69,382,066	$ 69,513,712	$ 70,092,708	$ 69,597,751	$ 68,438,606	$ 68,197,648
Restricted	9,917,234	9,168,024	2,465,578	2,647,313	2,725,241	2,820,674	3,886,431	4,579,166	5,280,725	4,999,882
Unrestricted	(3,308,622)	(566,152)	3,318,734	4,589,920	(5,885,183)	(5,329,015)	(5,139,310)	(5,598,995)	(4,527,338)	(5,681,104)
Total governmental activities	$ 75,028,669	$ 78,615,065	$ 75,088,521	$ 77,035,648	$ 66,222,124	$ 67,005,371	$ 68,839,829	$ 68,577,922	$ 69,191,993	$ 67,516,426
Business-type activities										
Net investment in capital assets	$ 38,521,272	$ 37,256,118	$ 35,948,245	$ 35,045,804	$ 34,970,306	$ 33,849,040	$ 34,152,185	$ 34,238,784	$ 34,191,527	$ 32,880,933
Unrestricted	1,134,494	1,704,160	2,261,714	2,239,565	763,102	991,465	1,910,776	961,613	983,522	914,475
Total business-type activities	$ 39,655,766	$ 38,960,278	$ 38,209,959	$ 37,285,369	$ 35,733,408	$ 34,840,505	$ 36,062,961	$ 35,200,397	$ 35,175,049	$ 33,795,408
Primary Government										
Net investment in capital assets	$ 106,941,329	$ 107,269,311	$ 105,252,454	$ 104,844,219	$ 104,352,372	$ 103,362,752	$ 104,244,893	$ 103,836,535	$ 102,630,133	$ 101,078,581
Restricted	9,917,234	9,168,024	2,465,578	2,647,313	2,725,241	2,820,674	3,886,431	4,579,166	5,280,725	4,999,882
Unrestricted	(2,174,128)	1,138,008	5,580,448	6,829,485	(5,122,081)	(4,337,550)	(3,228,534)	(4,637,382)	(3,543,816)	(4,766,629)
Total primary government	$ 114,684,435	$ 117,575,343	$ 113,298,480	$ 114,321,017	$ 101,955,532	$ 101,845,876	$ 104,902,790	$ 103,778,319	$ 104,367,042	$ 101,311,834

Data Source

Audited financial statements

*The Village implemented GASB 68 for the fiscal year ended December 31, 2015.

**The Village implemented GASB 75 for the fiscal year ended December 31, 2018.

Village of Lincolnshire

Change in Net Position
Last Ten Fiscal Years

	2011	2012	2013	2014	2015*	2016	2017	2018**	2019	2020
Expenses										
Governmental activities:										
General government	$ 2,196,916	$ 2,055,391	$ 2,037,465	$ 3,204,077	$ 3,261,101	$ 3,070,618	$ 2,821,648	$ 3,012,238	$3,355,419	$ 2,701,606
Public safety	3,668,986	3,852,925	4,244,795	3,921,903	4,224,091	4,592,881	4,553,263	4,969,667	5,325,833	4,162,254
Community and economic development	495,050	449,878	82,073	562,297	846,364	843,023	1,109,782	1,119,296	972,349	944,145
Public works	2,962,313	3,115,710	4,551,630	1,912,541	2,525,799	2,684,373	2,580,095	2,398,725	2,800,379	3,598,874
Parks and open spaces	1,260,614	1,234,268	1,496,702	2,000,840	1,594,035	1,850,099	1,866,928	1,853,000	2,040,594	2,270,981
Interest	1,048,532	983,387	973,071	890,093	844,605	764,597	762,720	726,110	698,646	669,583
Total governmental activities expenses	11,632,411	11,691,559	13,385,736	12,491,751	13,295,995	13,805,591	13,694,436	14,079,036	15,193,220	14,347,443
Business-type activities:										
Water and sewer	5,409,266	5,534,271	5,729,624	5,501,426	5,561,073	5,917,486	6,129,605	5,924,162	5,914,640	6,798,795
Total business-type activities expenses	5,409,266	5,534,271	5,729,624	5,501,426	5,561,073	5,917,486	6,129,605	5,924,162	5,914,640	6,798,795
Total primary government expenses	$ 17,041,677	$ 17,225,830	$ 19,115,360	$ 17,993,177	$ 18,857,068	$ 19,723,077	$ 19,824,041	$ 20,003,198	$21,107,860	$ 21,146,238
Program Revenues										
Governmental activities:										
Charges for services:										
General government	$ 230,252	$ 232,775	$ 239,339	$ 328,654	$ 316,593	$ 360,272	$ 423,853	$ 345,387	$308,809	$ 293,305
Public safety	1,076,488	1,109,826	981,973	866,101	841,785	739,850	779,896	868,497	1,038,868	932,651
Community development	149,539	271,050	199,557	364,734	364,724	320,000	637,123	355,501	377,226	289,008
Public works	13,553	11,885	12,500	17,370	16,489	35,999	32,995	36,976	25,436	19,200
Parks and recreation	46,981	53,421	58,098	38,082	39,668	40,212	27,670	20,346	36,525	30,403
Operating grants and contributions	263,528	241,520	257,382	362,589	246,279	230,860	1,735,927	1,411,362	1,060,899	1,062,328
Capital grants and contributions	806,418	-	-	67,904	57,602	179,635	1,080,392	17,023	233,098	-
Total governmental activities program revenue	2,586,759	1,920,477	1,748,849	2,045,434	1,883,140	1,906,828	4,717,856	3,055,092	3,080,861	2,626,895
Business-type activities:										
Charges for services:										
Water and sewer	3,877,146	4,111,584	3,882,816	4,001,441	3,840,582	4,983,740	6,000,952	4,707,901	5,127,653	5,144,814
Capital grants and contributions	213,015	36,145	-	473,595	-	-	309,320	-	-	-
Total business-type activities program revenue	4,090,161	4,147,729	3,882,816	4,475,036	3,840,582	4,983,740	6,310,272	4,707,901	5,127,653	5,144,814
Total primary government program revenues	$ 6,676,920	$ 6,068,206	$ 5,631,665	$ 6,520,470	$ 5,723,722	$ 6,890,568	$ 11,028,128	$ 7,762,993	$ 8,208,514	$ 7,771,709
Net Revenue (Expense)										
Governmental activities	$ (9,045,652)	$ (9,771,082)	$ (11,636,887)	$ (10,446,317)	$ (11,412,855)	$ (11,898,763)	$ (8,976,580)	$ (11,023,944)	$ (12,112,359)	$ (11,720,548)
Business-type activities	(1,319,105)	(1,386,542)	(1,846,808)	(1,026,390)	(1,720,491)	(933,746)	180,667	(1,216,261)	(786,987)	(1,653,981)
Total primary government net revenue (expens	$ (10,364,757)	$ (11,157,624)	$ (13,483,695)	$ (11,472,707)	$ (13,133,346)	$ (12,832,509)	$ (8,795,913)	$ (12,240,205)	$ (12,899,346)	$ (13,374,529)

Village of Lincolnshire

Change in Net Position
Last Ten Fiscal Years

	2011	2012	2013	2014	2015*	2016	2017	2018**	2019	2020
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property	$ 4,430,090	$ 4,380,298	$ 4,355,002	$ 2,589,086	$ 2,583,554	$ 2,649,278	$ 2,745,211	$ 2,784,047	$ 2,816,049	$ 2,734,390
Home rule sales tax	1,126,189	1,184,487	1,256,668	1,231,097	1,409,339	1,147,067	1,182,998	1,672,796	1,688,409	1,089,131
Utility	1,275,799	1,203,500	1,318,577	1,427,191	1,304,252	1,238,194	1,245,328	1,281,254	1,271,929	1,150,147
Telecommunications	1,210,032	1,336,167	1,219,285	1,041,159	1,172,430	1,215,516	1,190,635	1,060,063	1,037,637	953,406
Food and beverage	-	-	-	-	-	-	47,403	801,681	741,918	388,915
Room and admissions	1,604,652	1,709,251	1,733,789	1,831,416	1,931,739	1,873,847	1,699,538	2,016,916	2,076,917	581,881
Real estate transfer	240,916	921,597	330,958	364,410	491,669	465,951	732,675	540,178	340,446	502,844
Intergovernmental	3,211,415	3,247,452	3,204,481	3,458,440	3,996,442	3,344,977	2,627,040	2,836,458	2,913,425	2,368,238
Investment income	39,767	45,339	46,530	(38,994)	55,477	76,024	85,826	164,322	329,259	347,192
Miscellaneous	44,964	13,074	84,015	51,699	84,252	180,018	281,384	137,929	260,441	199,739
Gain (loss) on sale of capital assets	12,057	16,313	47,679	19,665	10,235	14,959	-	-	-	-
Transfers in (out)	(245,000)	(700,000)	(1,090,400)	(96,297)	(906,519)	94,417	(1,027,000)	(600,000)	(750,000)	(270,902)
Special item, loss on sale of land	-	-	(4,396,241)	-	-	-	-	-	-	-
Total governmental activities	12,950,881	13,357,478	8,110,343	11,878,872	12,132,870	12,300,248	10,811,038	12,695,644	12,726,430	10,044,981
Business-Type activities:										
Investment income	3,218	4,404	4,089	5,503	3,683	4,339	6,714	10,024	11,639	3,438
Gain (loss) on sale of capital assets	3,554	(13,350)	2,000	-	3,442	10,365	8,075	-	-	-
Transfers in	245,000	700,000	1,090,400	96,297	906,519	(94,417)	1,027,000	600,000	750,000	270,902
Total business-type activities	251,772	691,054	1,096,489	101,800	913,644	(79,713)	1,041,789	610,024	761,639	274,340
Total primary government	13,202,653	14,048,532	9,206,832	11,980,672	13,046,514	12,220,535	11,852,827	13,305,668	13,488,069	10,319,321
Change In Net Position										
Governmental activities	3,905,229	3,586,396	(3,526,544)	1,432,555	720,015	401,485	1,834,458	1,671,700	614,071	(1,675,567)
Business-Type activities	-	(695,488)	(750,319)	(924,590)	(806,847)	(1,013,459)	1,222,456	(606,237)	(25,348)	(1,379,641)
Total primary government change in net positi	$ 2,837,896	$ 2,890,908	$ (4,276,863)	$ 507,965	$ (86,832)	$ (611,974)	$ 3,056,914	$ 1,065,463	$ 588,723	$ (3,055,208)

Data Source

Audited financial statements

*The Village implemented GASB No. 68 for the fiscal year ended December 31, 2015.

**The Village implemented GASB No. 75 for the fiscal year ended December 31, 2018.

Village of Lincolnshire

Fund Balances of Governmental Funds
Last Ten Fiscal Years

	2011*	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
Nonspendable	$ 99,653	$ 65,294	$ 9,461	$ 775	$ 1,334,089	$ 1,334,267	$ 1,085,980	$ 1,105,615	$ 1,118,152	$ 1,147,215
Reserved/restricted	-	-	-	-	-	232,737	-	-	188,046	205,661
Unreserved/unassigned	9,590,075	11,612,467	12,103,725	10,612,821	9,748,038	5,341,222	5,958,900	5,946,536	6,439,359	6,077,731
Total general fund	$ 9,689,728	$ 11,677,761	$ 12,113,186	$ 10,613,596	$ 11,082,127	$ 6,908,226	$ 7,044,880	$ 7,052,151	$ 7,745,557	$ 7,430,607
All Other Governmental Funds										
Nonspendable	$ 3,801	$ 1,903	$ -	$ -	$ 95,235	$ -	$ -	$ -	$ -	$ -
Reserved/restricted	9,917,234	7,138,131	2,465,578	2,647,313	2,725,241	2,587,937	3,886,431	4,579,166	5,092,679	4,794,221
Unreserved/assigned, reported in capital projects funds	27,163	33,815	60,676	2,890,228	2,863,321	7,321,790	6,945,065	8,638,655	9,445,929	8,244,229
Total all other governmental funds	$ 9,948,198	$ 7,173,849	$ 2,526,254	$ 5,537,541	$ 5,683,797	$ 9,909,727	$ 10,831,496	$ 13,217,821	$ 14,538,608	$ 13,038,450

The Village implemented GASB Statement 54 for the year ended December 31, 2011.

Data Source

Audited financial statements

Village of Lincolnshire

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Property taxes	$ 4,356,785	$ 4,308,071	$ 4,282,221	$ 2,589,086	$ 2,583,554	$ 2,649,279	$ 2,745,210	$ 2,784,047	$ 2,816,049	$ 2,734,390
Other taxes	8,742,307	9,674,681	9,136,539	9,353,713	10,305,871	9,285,552	8,725,617	10,209,346	10,070,681	7,034,562
Licenses and permits	440,325	569,132	509,493	748,840	737,474	756,480	1,121,642	758,710	747,996	630,646
Fines and penalties	489,422	492,401	385,465	333,321	250,543	259,083	247,652	201,801	274,271	235,999
Charges for services	98,183	111,791	93,395	21,714	12,220	8,286	18,345	-	-	-
Intergovernmental	752,412	747,153	760,494	853,432	804,611	882,978	956,892	912,229	1,048,699	1,527,098
Investment income	39,767	45,339	46,530	(38,994)	55,477	76,024	85,826	164,322	462,206	411,223
Donations	-	-	-	20,000	16,520	-	1,514,978	1,168,032	776,797	224,727
Miscellaneous	44,964	13,074	84,015	119,826	146,024	180,018	281,384	135,585	127,494	144,133
Total revenues	14,964,165	15,961,642	15,298,152	14,000,938	14,912,294	14,097,700	15,697,546	16,334,072	16,324,193	12,942,778
Expenditures										
General government	2,142,444	2,034,704	2,073,589	2,522,842	2,628,626	2,508,311	2,039,025	2,082,316	2,385,912	2,317,682
Public safety	4,182,842	4,251,691	4,635,965	3,799,528	3,991,885	4,304,427	4,515,505	4,333,803	4,725,305	4,443,593
Community and economic development	448,122	450,213	495,107	486,420	974,500	835,438	1,048,711	1,117,437	953,511	849,983
Public works	1,789,093	2,124,293	2,561,912	1,306,404	1,318,348	1,455,855	1,509,507	1,556,583	1,678,488	1,655,982
Parks and open spaces	861,796	815,041	1,101,484	1,244,687	1,289,239	1,338,020	1,362,750	1,340,583	1,348,021	1,256,355
Capital outlay	255,233	2,142,960	1,623,311	1,944,395	1,603,970	1,867,559	1,511,922	1,761,842	1,320,950	2,814,014
Debt service:										
Principal	1,486,860	1,210,446	2,602,195	756,009	787,446	1,052,236	853,858	415,000	440,000	470,000
Interest	1,104,802	1,005,030	1,007,690	878,273	844,605	818,642	770,845	734,756	707,813	679,375
Total expenditures	12,271,192	14,034,378	16,101,253	12,938,558	13,438,619	14,180,488	13,612,123	13,342,320	13,560,000	14,486,984
Excess (deficiency) of revenues over expenditures	2,692,973	1,927,264	(803,101)	1,062,380	1,473,675	(82,788)	2,085,423	2,991,752	2,764,193	(1,544,206)
Other Financing Sources (uses)										
Transfers in	1,364,479	2,082,482	929,253	4,580,612	1,435,360	6,345,955	599,101	2,800,000	2,021,935	1,566,409
Transfers (out)	(1,609,479)	(2,782,482)	(2,019,653)	(4,652,715)	(2,317,300)	(6,232,737)	(1,626,101)	(3,400,000)	(2,771,935)	(1,837,311)
Issuance of notes	5,735,000	-	-	-	-	-	-	-	-	-
Refunding of notes	(5,716,464)	-	-	-	-	-	-	-	-	-
Proceeds from sale of capital assets	12,057	16,313	(4,348,562)	19,665	10,235	21,599	-	1,844	-	-
Total other financing sources (uses)	(214,407)	(683,687)	(5,438,962)	(52,438)	(871,705)	134,817	(1,027,000)	(598,156)	(750,000)	(270,902)
Net change in fund balances	$ 2,478,566	$ 1,243,577	$ (6,242,063)	$ 1,009,942	$ 601,970	$ 52,029	$ 1,058,423	$ 2,393,596	$ 2,014,193	$ (1,815,108)
Debt Service as a Percentage of Noncapital Expenditures	21.32%	16.27%	24.03%	14.56%	12.88%	14.37%	12.81%	9.41%	8.63%	9.85%

Data Source
Audited financial statements

Village of Lincolnshire

Principal Property Taxpayers
Current Year and Nine Years Ago

	2020			2011		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation
ARC ACLSHIL001 LLC	$ 19,178,855	1	2.92%			
Sedgebrook Propco SL VII LLC	16,565,356	2	2.52%			
IHP Tri-State Asset, LLC	16,256,538	3	2.47%			
LA-RFMBG Lincolnshire, LLC	7,747,685	4	1.18%			
RYAN LLC	6,852,643	5	1.04%	$ 17,818,637	1	2.95%
Griffin Lincolnshire Essential	6,738,190	6	1.02%			
Van Vlissingen & Company	6,565,090	7	1.00%			
Lincolnshire Propco LLC	6,524,290	8	0.99%			
TSJ Linconshire Property LLC	5,276,674	9	0.80%			
Staples Inc	4,767,152	10	0.72%			
CRP- 2 Holdings Tri State LLC				17,760,663	2	2.94%
4 Overlook LLC				16,315,020	3	2.70%
Lincolnshire Campus LLC				14,998,499	4	2.48%
Northwestern Mutual Life Insurance				13,609,735	5	2.25%
Strategic Hotel Cap, Inc.				8,656,396	6	1.43%
Half Day LLc				7,217,102	7	1.19%
ECD Company				6,985,995	8	1.16%
GGP- Lincolnshire LLC				5,848,520	9	0.97%
Lincolnshire Center LLC				5,574,563	10	0.92%
Total	$ 96,472,473		14.67%	$ 114,785,130		18.99%

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
Lake County Assessor's Office

Village of Lincolnshire

Sales Tax By Category
(in Thousands of Dollars)
Last Ten Calendar Years

Calendar Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Food	$ 7	$ 18	$ 59	$ 92	$ 203	$ 194	$ 242	$ 269	$ 213	$ 115
Drinking and eating places	685	956	974	986	1,029	1,013	1,073	1,334	1,332	734
Apparel	116	177	159	143	141	133	143	152	131	50
Furniture	406	745	754	623	715	637	739	944	827	551
Lumber, building hardware	23	66	38	41	42	63	76	52	54	58
Automobile and filling stations	70	86	100	80	76	64	78	184	87	69
Drugs and miscellaneous retail	330	431	399	408	122	222	250	249	450	524
Agriculture and all others	1,188	1,818	1,684	1,865	2,075	1,265	364	412	482	269
Manufacturers	45	47	36	17	10	24	11	24	21	16
Total	$ 2,870	$ 4,344	$ 4,203	$ 4,255	$ 4,413	$ 3,615	$ 2,976	$ 3,620	$ 3,597	$ 2,347
Village direct sales tax rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Village home rule rate	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	1.00%	1.00%	1.00%	1.00%

Data Source
Illinois Department of Revenue

Village of Lincolnshire

Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

Calendar Year	Lake County Rate	RTA Lake County Rate	Village Direct Rate	State Rate	Village Home Rule Sales Tax[1]	Food and Beverage Tax[2]
2011	0.50%	0.50%	1.00%	5.00%	0.00%	0.00%
2012	0.50%	0.50%	1.00%	5.00%	0.50%	0.00%
2013	0.50%	0.50%	1.00%	5.00%	0.50%	0.00%
2014	0.50%	0.50%	1.00%	5.00%	0.50%	0.00%
2015	0.50%	0.50%	1.00%	5.00%	0.50%	0.00%
2016	0.50%	0.50%	1.00%	5.00%	0.50%	0.00%
2017	0.50%	0.50%	1.00%	5.00%	1.00%	1.00%
2018	0.50%	0.50%	1.00%	5.00%	1.00%	1.00%
2019	0.50%	0.50%	1.00%	5.00%	1.00%	1.00%
2020	0.50%	0.50%	1.00%	5.00%	1.00%	1.00%

Notes

[1] Effective 01/1/2011, implemented .50% HRS Tax (ordinance # 10-3164-41)

[1] Effective 07/1/2017, increase HRS Tax to 1.0% (ordinance # 17-3437-165)

[2] Effective 11/1/2017, implemented 1.0% F&BT (ordinance # 17-3752-180)

Data Source

Village and County Records

Village of Lincolnshire

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[1]	Per Capita[1]
	Special Service Area Bonds	Consolidated North park/ Schelter road Loan	Tax Increment Financing	Utility Line Loan			
2012	$ 13,690,000	$ 2,444,415	$ 1,906,965	$ 951,600	$ 18,991,980	4.22%	$ 2,611
2013	13,385,000	2,024,000	-	787,000	16,196,000	3.60%	2,226
2014	13,060,000	1,593,539	-	619,711	15,273,250	3.90%	2,099
2015	12,715,000	1,151,094	-	447,649	14,313,743	3.18%	1,968
2016	12,350,000	696,976	-	271,047	13,318,023	2.60%	1,831
2017	11,960,000	-	-	-	11,960,000	2.41%	1,644
2018	11,545,000	-	-	-	11,545,000	2.26%	1,587
2019	11,105,000	-	-	-	11,105,000	2.12%	1,526
2020	10,635,000	-	-	-	10,635,000	2.03%	1,462

[1] See the Schedule of Demographic and Economic Statistics on page 128 for personal income and population data.

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

Data Source
Audited financial statements

Village of Lincolnshire

Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	(1) Special Service Area Bonds	Percentage of Estimated Actual taxable Value of Property	Per Capita
2011	13,980,000	0.76%	1,922
2012	13,690,000	0.81%	1,922
2013	13,385,000	0.79%	1,840
2014	13,060,000	0.77%	1,795
2015	12,715,000	0.72%	1,748
2016	12,350,000	0.66%	1,698
2017	11,960,000	0.62%	1,644
2018	11,545,000	0.59%	1,587
2019	11,105,000	0.55%	1,526
2020	10,635,000	0.54%	1,462

Data Source

(1) Audited financial statements

Village of Lincolnshire

Direct and Overlapping Bonded Debt - Governmental Activities
December 31, 2020

Governmental Unit	Gross General Obligation Debt	Percentage of Debt Applicable to Government	Village's Share of debt
Overlapping Debt			
Debt Repaid With Property Taxes			
College Of Lake County No. 532	$ 52,995,000	2.6%	$ 1,363,531
Elementary School District No. 102	17,170,000	9.7%	1,673,479
Elementary School District No. 103	5,465,000	53.8%	2,938,047
Elementary School District No. 106	-	1.1%	-
Deerfield/ Bannockburn Fire District	-	0.2%	-
Long Grove Fire Protection District	-	2.1%	-
Lincolnshire/Riverwoods Fire Protection District	-	47.7%	-
High School District No. 113	83,160,000	0.1%	48,280
High School District No. 125	44,745,000	17.8%	7,965,132
Vernon Area Public Library	-	24.7%	-
Buffalo Grove Park District	14,650,000	0.2%	31,190
Township Of Vernon	-	16.4%	-
Township Of West Deerfield	-	0.1%	-
Lake County	157,790,000	2.4%	3,863,309
Lake County Forest Preserve	222,645,000	2.4%	5,451,210
Total overlapping debt	598,620,000		23,334,178
Direct Debt			
Village of Lincolnshire	-	100.0%	-
Total direct and overlapping debt	$ 598,620,000		$ 23,334,178

Data Sources
Lake County Extension Office

Village of Lincolnshire

Legal Debt Margin Information
December 31, 2020

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 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.

The Village's voters approved a referendum to become a home rule community in 1975.

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

Illustrative Computation of Debt Margin if Government Were Not a Home Rule Municipality

The Village is a home rule municipality and, as such, has no debt limitations. If, however, the Village were a nonhome rule municipality, its available debt limit would be as follows:

Equalized Assessed Valuation - 2020*	$ 657,767,329
Non-Home Rule Legal Debt Limit - 8.625%	$ 56,732,432
Amount of debt applicable to limit	-
Legal Debt Margin	$ 56,732,432

* Most Recent EAV Available

Village of Lincolnshire

Demographic and Economic Information
Last Ten Fiscal Years

Fiscal Year	Population	Per Capita Personal Income	Median Household Income	Unemployment Rate
2011	7,275	$ 450,403	$ 61,911	8.5%
2012	7,275	450,403	61,911	8.2%
2013	7,275	450,403	61,911	7.4%
2014	7,275	450,403	61,911	5.6%
2015	7,275	450,403	61,911	5.5%
2016	7,275	512,356	70,427	5.1%
2017	7,275	496,802	68,289	4.2%
2018	7,275	510,887	70,225	5.0%
2019	7,275	523,072	71,900	4.0%
2020	7,275	548,324	75,371	7.9%

Data Sources

Illinois Department Of Employment Security (ides) Unemployment Rate By Bureau Of Labor Statisticscity-data.com.

Village of Lincolnshire

Principal Employers
Current Year and Nine Years Ago

Employer	2020 Employees	2020 Rank	2020 % of Total Village Population	2011 Employees	2011 Rank	2011 % of Total Village Population
Aon-ALight	3,005	1	15.0%	5,244	1	30.5%
CDW	1,180	2	5.9%			
Zebra Technologies	1,123	3	5.6%			
Hydraforce, Inc.	601	4	3.0%	600	3	3.5%
Adlai Stevenson High School	576	5	2.9%	600	3	3.5%
Quill Corporation	440	6	2.2%	475	7	2.8%
Sedgebrook	420	7	2.1%			
Lincolnshire- Prairie View School D103	356	8	1.8%			
LTD Commodities	328	9	1.6%	546	5	3.2%
Sysmex	315	10	1.6%			
Marriott Resort				499	9	2.9%
Walgreens				660	2	3.8%
CVS Caremark Inc				480	7	2.8%
W.W. Grainger				498	6	2.9%
ACCO Brands				458	10	2.7%
Total	8,344		41.7%	10,060		58.60%
Corporate Day Time Population (est.)			20,000			17,200

Data Source

Village of Lincolnshire Community & Economic Development Department (2020)
Village of Lincolnshire- 2010 Comprehensive Annual Financial Report
Village of Lincolnshire Community & Economic Development- Corporate Day Time Population Estimate

Village of Lincolnshire

Full-Time Equivalent Employees
Last Ten Fiscal Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government										
Administration	3.50	3.50	3.20	3.25	3.25	2.35	2.10	1.60	2.10	3.10
Finance	2.40	2.40	2.40	3.50	3.50	2.90	2.90	2.90	2.90	2.90
Public Safety										
Police	28.80	28.80	28.00	29.00	29.00	28.00	28.00	28.00	29.00	27.50
E911	4.20	4.20	4.20	-	-	-	-	-	-	-
Community and Economic Development										
Development	6.75	5.75	5.75	5.75	5.75	4.00	4.00	4.50	4.50	4.00
Public Works										
Administration	1.75	1.75	2.00	1.75	1.75	1.75	1.75	1.75	1.75	1.75
Streets	4.25	4.25	4.25	4.50	4.50	4.25	4.75	4.75	4.75	5.50
Buildings and grounds	0.50	0.50	0.50	-	-	-	-	-	-	-
Water	8.15	7.75	7.75	6.00	6.00	7.45	7.25	7.25	7.25	7.50
Vehicle maintenance	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25
Forestry	2.87	2.87	-	-	-	-	-	-	-	-
Parks and Open Spaces										
Parks	8.13	8.13	8.13	10.75	10.75	10.63	10.13	10.13	9.80	6.00
Recreation[1]	-	-	-	-	-	-	-	-	-	-
Total	73.55	72.15	68.43	66.75	66.75	63.58	63.13	63.13	64.30	60.50

[1] In 2011 the recreation division was discontinued.

Data Source

Operating Budget-Personnel Summary By Department-FTE

Village of Lincolnshire

Operating Indicators
Last Ten Fiscal Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government										
Village Board meetings	49	48	50	48	49	51	47	47	50	47
Ordinances prepared	53	42	33	41	42	40	32	35	36	49
Resolutions prepared	11	10	8	10	11	8	8	19	17	15
Newsletter/resident mailings	5	5	4	4	5	4	4	4	4	3
E-News messages sent	-	15	64	77	98	70	75	82	86	119
E-News subscribers	-	582	1,043	1,212	1,793	1,550	1,633	1,490	1,517	1,622
Facebook likes	-	-	166	222	497	655	1,129	1,345	1,808	1,994
Twitter followers	-	-	-	-	400	455	819	924	1,071	1,200
General fund property tax levy	-	-	-	-	-	-	-	-	-	-
Finance										
Accounts payable checks	1,687	1,745	1,768	1,994	1,939	2,000	2,155	1,874	1,823	1,663
Accounts payable direct deposits	-	-	-	11	200	260	331	382	381	386
Payroll checks	2,104	212	208	237	149	136	99	78	63	44
Payroll direct deposits	-	1,911	1,870	1,939	1,976	1,679	1,956	1,946	2,003	2,014
% utility auto withdrawal	0%	0%	0%	22%	23%	29%	35%	37%	39%	41%
Utility payments by credit card	-	-	-	-	-	-	-	76	163	175
Utility payments by text	-	-	-	-	-	-	-	1,196	1,794	2,301
% utility e-bills	0%	0%	0%	0%	0%	0%	4%	8%	10%	1200%
Police										
Calls for service	33,501	26,797	19,743	14,219	14,023	24,781	26,314	25,276	35,157	32,771
Total reports	2,059	1,843	1,950	1,500	959	839	875	963	1,694	1,347
Arrests (includes traffic)	134	472	429	231	188	304	300	346	503	548
DUI arrests	99	94	85	45	34	26	48	37	33	44
DUI conviction rate	0%	0%	0%	0%	0%	0%	95%	95%	48%	32%
FBI Part I crimes	-	-	-	-	-	-	77	79	115	97
FBI Part I crimes cleared	0%	0%	0%	0%	0%	0%	11%	12%	2%	13%

Village of Lincolnshire

Operating Indicators
Last Ten Fiscal Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Community Development										
Plan reviews:										
Building consultant	-	-	-	-	-	94	54	35	9	5
Building official	-	-	-	-	-	219	326	288	278	280
Code enforcement	-	-	-	-	-	37	85	84	86	64
Elevators	-	-	-	-	-	14	6	13	3	7
Village engineer	-	-	-	-	-	318	293	186	258	244
Fire reviews	-	-	-	-	-	139	126	129	106	95
Forestry	-	-	-	-	-	320	2	3	-	1
Life safety	-	-	-	-	-	-	-	1	15	11
Planning	-	-	-	-	-	122	73	66	82	66
Public works	-	-	-	-	-	19	-	13	-	-
Tree removals	-	-	-	-	-	-	267	229	228	285
Total	-	-	-	-	-	1,282	1,232	1,047	1,065	1,058
Zoning Board development reviews	11	13	8	13	10	8	6	3	6	9
Architectural Review Board reviews	4	8	7	11	10	21	16	10	22	12
Building permits issued	567	360	369	359	368	926	672	617	635	580
Taxable property transfers	117	157	179	145	161	147	193	150	171	177
No. of Inspections*	744	903	847	885	944	1,480	1,967	1,303	1,885	1,188
Valuation (thousands)*	16,672	35,912	20,712	45,137	41,173	25,992	68,060	31,051	26,744	24,300
New com/office/warehse bldgs.	-	1	2	1	2	-	4	1	1	1
New housing units	6	4	9	14	6	45	31	14	28	19
Sq. ft. new com. bldgs. (thousands)	-	-	-	-	-	-	-	-	-	5
Sq. ft. new off/warehse. bldgs. (thousands)	-	-	-	-	-	-	-	186,616	-	-
Insurance/Common Expense										
Property/liability claims processed	7	6	3	3	3	5	-	1	2	2
Auto liability processed	-	-	3	5	4	-	1	4	4	1
Workers compensation claims processed	6	8	10	11	5	8	8	1	12	2
Public Works-Administration										
Capital project management:										
% capital expend./capital dollars allocated	0%	0%	0%	0%	0%	88%	86%	87%	80%	57%
Sitework permit reviews:										
Average length to review site-work permits (days)	-	-	-	-	8	9	9	8	8	8

Village of Lincolnshire

Operating Indicators
Last Ten Fiscal Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Public Works-Streets										
Project inspections	225	244	251	172	140	229	184	122	163	197
Maintain street posts and signs:										
Village signs, repaired	-	-	-	-	-	-	-	100	100	100
Maintain Village streets:										
Street resurfaced (miles)	1	1	1	1	1	1	1	1	1	2
Tons of asphalt patching	-	-	-	-	-	-	-	27	12	14
Pothole repairs by staff	-	-	-	-	-	12	16	82	110	92
Street cleaned (miles)	315	363	372	357	267	360	360	360	360	360
Flood prevention:										
Staff hrs spent on flood prevention	-	-	-	-	-	-	-	556	500	491
Hours of pump usage	-	-	-	-	-	-	-	960	1,000	1,152
Times pumps deployed	-	-	-	-	-	-	-	5	6	6
Sewer maintenance:										
% of catch basin system cleaned	0%	0%	0%	0%	0%	0%	0%	10%	10%	10%
Linear feet of storm sewer lined	-	-	-	-	-	-	-	530	550	-
% storm sewer system inspected	0%	0%	0%	0%	0%	0%	0%	10%	12%	12%
Catch basins repaired	-	-	-	-	-	-	-	34	30	19
Right-of-way leaf collection:										
Cubic yards of leaves collected	6,320	6,495	7,100	6,942	7,064	6,495	5,100	5,100	5,920	5,760
Cost per cubic yard for collection/removal	-	-	-	-	-	-	-	30	40	24
Annual leaf collection expense	-	-	-	-	-	-	N/A	154,000	145,000	134,000
Snow and ice control:										
Snow events	-	-	-	-	-	-	12	19	24	14
Staff hrs spent on snow/ice control	-	-	-	-	1,039	693	559	1,284	1,575	735
Salt used (tons)	-	-	-	-	-	272.5	-	586.2	872.2	414.3
Customer service:										
Avg days to complete street service request								6.8	7.2	7.1

Village of Lincolnshire

Operating Indicators
Last Ten Fiscal Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Public Works-Parks										
Trees planted	144	165	205	138	181	97	110	190	190	190
Playground inspection (hours)	142	180	137	65	84	108	24	80	25	36
Special event (hours)	748	849	1,052	854	1,184	1,375	593	660	616	21
Review and issue tree removal permits:										
Avg days to review permit	$ -	$ -	$ -	$ -	$ -	$ 25	$ 25	$ 6	10	10
Natural areas maintained										
Acres of invasive species mgmt	-	-	-	-	600	610	620	612	600	600
Avg cost per acre of maintenance	$ -	$ -	$ -	$ -	$ 54	$ 55	$ 56	$ 57	$ 58	$ 58
Maintain Village parkways:										
Trees planted	-	-	-	-	-	100	110	159	140	144
Trees removed- contractual	-	-	-	-	-	268	240	375	344	117
Trees removed- by staff	-	-	-	-	-	22	21	22	25	79
% Trees pruned per 8 year cycle	0%	0%	100%	100%	100%	100%	100%	100%	100%	100%
Operate Spring Lake Beach:										
Beach days	-	-	-	-	-	-	-	74	76	-
Avg beach patrons per swim day	-	-	-	-	-	-	-	23	22	-
Beach revenue	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 7,250	$ 7,460	$ -
Beach expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 26,970	$ 26,752	$ -
Net annual cost of operation	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 19,720	$ 19,292	$ -
Net avg cost per swim day	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 266	$ 254	$ -
`	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 12	$ 12	$ -
Customer service:										
Avg days to complete forestry/parks svc req	-	-	-	-	-	-	-	10	10	10
Public Works-Buildings										
Maintain Village Hall building:										
HVAC service calls, emergency	-	-	-	-	-	2	3	5	5	3
HVAC service calls, budgeted	-	-	-	-	-	4	4	4	4	4
Maintain Public Works building:										
HVAC service calls, emergency	-	-	-	-	-	1	2	2	2	3
HVAC service calls, budgeted	-	-	-	-	-	4	4	4	4	4

Village of Lincolnshire

Operating Indicators
Last Ten Fiscal Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Public Works-Water and Sewer										
Avg daily pumpage metered:										
(millions of gallons)	1	1	1	1	1	1	1	1	1	1
JULIE utility locates	2,133	2,086	2,237	2,302	2,991	3,017	3,460	3,400	3,271	2,702
Accounts Serviced	-	-	-	-	-	-	2,546	2,452	2,605	2,566
Utility Permits	-	-	-	-	-	-	91	56	90	172
Maintain valves:										
% of water valves exercised	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Utility concerns:										
Appointments	-	-	-	-	-	219	311	337	316	349
Maintain fire hydrants:										
Fire hydrants repaired or replaced	-	-	-	-	-	12	21	25	25	25
Maintain sanitary sewer system:										
% cleaned/televised (10yr cycle)	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Sanitary sewer lining installed (feet)							3,780	3,935	3,900	3,990
Maintain water delivery:										
Water main breaks	-	-	-	-	-	-	-	11	9	13
Equivalent Dwelling Unit (EDU)										
Connections	-	-	-	-	5	105	350	330	49	22
Public Works-Vehicle Maintenance										
Maintain fleet vehicles:										
% of vehicles maintained per	0%	0%	0%	0%	0%	100%	100%	100%	100%	100%
Village preventative maintenance schedule:										
Fleet work orders	-	-	-	-	-	216	315	337	214	231
Cost per police squad	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,093	$ 812	$ 1,235

Village of Lincolnshire

Operating Indicators
Last Ten Fiscal Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police Pension										
Unfunded Liability EAN**	1,945,855	2,447,293	2,040,149	2,568,985	4,837,151	4,797,235	5,248,868	5,335,420	6,843,600	6,749,000
Funded %- EAN**	89%	87%	90%	88%	80%	81%	80%	81%	77%	78%
Funded %- PUC**	96%	89%	89%	91%	91%	90%	90%	85%	81%	81%
(Actuarial asset) 12/31	0%	8%	13%	7%	5%	5%	7%	3%	6%	9%
(Market value) 12/31	1%	9%	13%	3%	-1%	-7%	14%	-7%	18%	15%
Max % equity investments	50%	55%	65%	65%	65%	65%	65%	65%	65%	65%
EAN= Entry Age Normal PUC= Projected Unit Credit										
**Source: Actuarial Valuation Report prepared June for year beginning January 1										
Effective 2014 & 2019 reported figures based on new assumptions										
Participants actual:										
Active members	23	23	24	23	23	23	22	21	24	24
Normal retirees	8	10	10	10	11	11	12	14	15	15
Beneficiaries	1	1	1	1	1	1	1	1	1	1
Disabled retirees	3	3	3	2	3	3	3	3	2	2
Terminated/separated	1	-	-	3	2	2	2	3	4	3
Total	36	37	38	39	40	40	40	42	46	45
Participants:										
Police tier 1 participants	23	21	22	20	19	19	19	15	16	15
Police tier 2 participants	-	2	2	3	4	4	3	6	8	9
Total	23	23	24	23	23	23	22	21	24	24

Data Source

Village of Lincolnshire 2020 Budget

*Police: Total Reports - 2014 and prior includes case and incident reports;
2015 and after includes case reports only

Village of Lincolnshire

Capital Asset Statistics

Last Ten Fiscal Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police										
Patrol units	14	14	15	15	14	16	15	15	14	15
Stations	1	1	1	1	1	1	1	1	1	1
Public Works										
Streets (miles)	40	40	40	35	35	41	41	41	41	41
Building facilities maintained	6	6	6	6	6	6	6	5	5	5
Parks and Recreation										
Acreage	311.0	311.0	311.0	311.0	311.0	311.0	181.0	182.0	182.0	182.0
Parks	9	9	9	9	9	9	9	11	11	11
Baseball/softball diamonds	6	6	6	6	6	6	7	7	7	7
Water, Sanitary Sewer										
Fire hydrants	848	856	854	859	859	869	877	877	898	898
Storage capacity:										
(Millions of gallons)	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6
Water mains (miles)	67.0	67.0	62.2	61.0	61.0	64.4	67.0	67.0	67.0	67.0
Sanitary sewers (miles)	50.0	50.0	50.0	45.0	45.0	47.5	47.6	47.6	47.6	47.6
Storm sewers (miles)	105.0	105.0	105.0	101.0	101.0	101.0	101.2	101.2	101.2	101.2

Data Source

Various village departments