VILLAGE OF

LINCOLNSHIRE

Annual Comprehensive Financial Report

For the Year Ended December 31, 2022

Village of Lincolnshire, Illinois

Annual Comprehensive Financial Report

December 31, 2022

Prepared By Finance Department
Matt Rossi
Finance Director/Village Treasurer

Village of Lincolnshire

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VILLAGE OF
LINCOLNSHIRE

June 12, 2023

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 Annual Comprehensive Financial Report of the Village of Lincolnshire for the fiscal year ended December 31, 2022.

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, 2022. 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 which has received the prestigious Blue Ribbon Award from the U.S. Department of Education. The Village became home rule by a voter approved referendum in 1975. The 2020 federal census recorded 7,940 residents, and Lincolnshire's day-time population is estimated at nearly 15,000.

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 Annual Comprehensive 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 operating and debt service costs have traditionally been funded with current revenues. Historically, capital expenses have been funded via accumulated reserves designated for such use. In May 2022, the Village issued bonds to fund a $4 million storm sewer capital project. The project was planned to commence in 2023, but due to the possibility of grant funding being available in the near future, the Village has opted to delay until the project until more is known on the grant. The Village implemented a storm sewer fee in 2022 which was added to resident and commercial utility bills. The revenue generated from this fee will be used to pay off the debt and fund other operating costs.

The Village continues its long-standing practice of budgeting 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	2022	2021	2020	2019	2018	2017	2016	2015	2014
EAV (million)	$676	$655	$657	$667	$659	$644	$625	$586	$563
Gen Fund Revenue	$14.9	$12.6	$10.9	$14.1	$13.3	$12.2	$11.6	$12.3	$11.3
Gen Fund Reserve Ratio	79%	75%	75%	75%	80%	74%	124%	125%	145%

The three basic economic indicators listed above serve as benchmarks as to how Lincolnshire finances have been impacted over the years. The Village experienced a healthy increase of 3% in total EAV from 2021 to 2022. This comes after three straight years of the EAV decreasing. Since 2013, Lincolnshire's EAV has increased $114 million (20%) as a result of new residential and commercial construction and appreciation of existing properties. Lincolnshire's EAV, like many other Lake County Municipalities, has not fully recovered from the 2008 Recession when the local EAV was $701 million.

Five types of revenue sources account for 64.0% of the total projected revenues for the FY22 General Fund. These sources and their respective budget increases/ -decreases over FY21 are as follows: Sales Tax (23%), Utility Tax (7%), Income Tax (31%) Rooms Tax (66%), and Property Tax (6%). Many of these revenue sources are returning to their pre-pandemic levels. The Village estimates a $6 million loss in general fund revenue as a result of the COVID-19 pandemic.

The 2023 budget reflects a freeze in the property tax rate and an increase in charges for water and sewer service. All other tax percentages are to remain the same in 2023 as they were in 2022. 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 FY23 Budget anticipates a transfer of $1.3 million from the General Capital Projects Fund to the General Fund. This movement is required to transfer money to the Water & Sewer Improvement fund to pay for multiple capital projects related to the Village's water distribution system.

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. The majority of the Village's major revenue sources saw an increase in 2022 compared to 2020 and 2021. 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 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 12/31/2022, is currently at 75.0% of annualized general fund operating expenditures (excluding Sales Tax Rebate, Economic Incentive payments, Police Pension Contribution, and cash transfers to other funds). 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 $7.5 million balance reserved for capital.

To maintain a 75% general fund balance, the FY23 balanced General Fund budget it was necessary to 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 2022 strategic goals to promote the Village Board's vision of providing outstanding public services in a fiscally conservative manner. Village staff also completed the ninth annual update of Lincolnshire's 10-Year Capital Plan and 5-Year Financial Forecast. Both of these documents aid elected officials and management in budgeting and planning expenditures in an effective and fiscally responsible manner. 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 in tax year 2020 (collected in fiscal year 2021). The new rate comprises less than 3% of the total property tax bill paid by residents in the community. The property tax rate was kept at .250 for tax year 2022 (collected in fiscal year 2023).

As the Village continues to work through the economic recovery as a result of the COVID-19 pandemic and the current financial crisis for the State of Illinois, Lincolnshire'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 increased 5.0%, and sewer rates 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. In 2021 and 2022 segments 3 and 4 of the Crosstown Water Main project were completed. These projects 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 total expenditures related to these projects was nearly $5 million. The Village also replaced approximately 3,500 feet of watermain on Northampton Lane and began preliminary design engineering for a future water main replacement project on Lincolnshire Drive North.

Development Initiatives

In 2022, 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.

- Arthur J. Greene Construction continued building and 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 2022, eight certificates of occupancy and 14 permits were issued. Construction is expected to be completed by the fall of 2023.

- **U-Haul** continued construction on additional improvements for warehouse, self-storage, and RV parking on a 31-acre property at 200 Industrial Drive following Village Board approvals in August 2021.

- **Keystone Planning + Design**, the developer of the 8-acre property at the southwest corner of Milwaukee Avenue and Half Day Road, received Phase 1 preliminary development plan approvals for a Thorntons gas station/convenience store, Buona Beef restaurant, Rainbow Cone Café, and two other retail/restaurant uses in November 2022. The developer expects to apply for the final development plans in the summer of 2023.

- The 41-acre **St. James** property at 90, 98, and 100 Half Day Road was listed for sale in March 2022, as the owner TSJ Lincolnshire Properties LLC decided not to finalize Village approvals due to their changing operations as a result of the COVID-19 pandemic. The property has not sold as of December 2022. TSJ is finalizing building demolition and site clearance activities in preparation for future development.

- The 26-acre former **Lietzau Farm** property at 15730 Aptakisic Road is under contract by Panattoni Development for two large speculative warehouse buildings. The developer

is undergoing Village approvals. This project will result in the extension of Schelter Road south to Aptakisic Road and connection of Schelter Road to Margate Drive at no cost of the community.

- The 30-acre **Quill** corporate campus property at 100 Schelter Road was purchased by Carlson Labs, a nutritional supplements company, in December 2022. The company intends to renovate the buildings for their office and industrial operations.

The following eleven (11) businesses opened in Lincolnshire in 2022:

- **Expert Family Eyecare**, 185 Milwaukee Avenue (1,411 sq.ft.)
- **Illinois State Senator Adriane Johnson's Office**, 1 Overlook Point (644 sq.ft.)
- **INT**, a business services company, 175 Olde Half Day Road (1,599 sq.ft.)
- **Ishana Dance Academy**, 430 Milwaukee Avenue (1,142 sq.ft.)
- **JL Beauty and Permanent Makeup**, 175 Olde Half Day Road (87 sq.ft.)
- **LS Electric America**, 625 Heathrow Drive (44,500 sq.ft.)
- **NEC Enterprise Communication Technologies**, 300 Tri-State International (4,313 sq.ft.)
- **Pancake Café**, 300 Village Green (4,000 sq.ft.)
- **S&F Software Solutions**, 111 Barclay Boulevard (212 sq.ft.)
- **SG Law**, 175 Olde Half Day Road (220 sq.ft.)
- **The Paper Tube Company**, 585 Bond Street (26,000 sq.ft.)

Acknowledgments

Individuals

The preparation of the Annual Comprehensive Financial Report on a timely basis was made possible by the dedicated staff of the Finance Department- Tara Ibrahim, Accounting Manager, Nancy Panos, Finance Clerk, and Rebekah Fontane, Administrative Assistant I. 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 I 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,

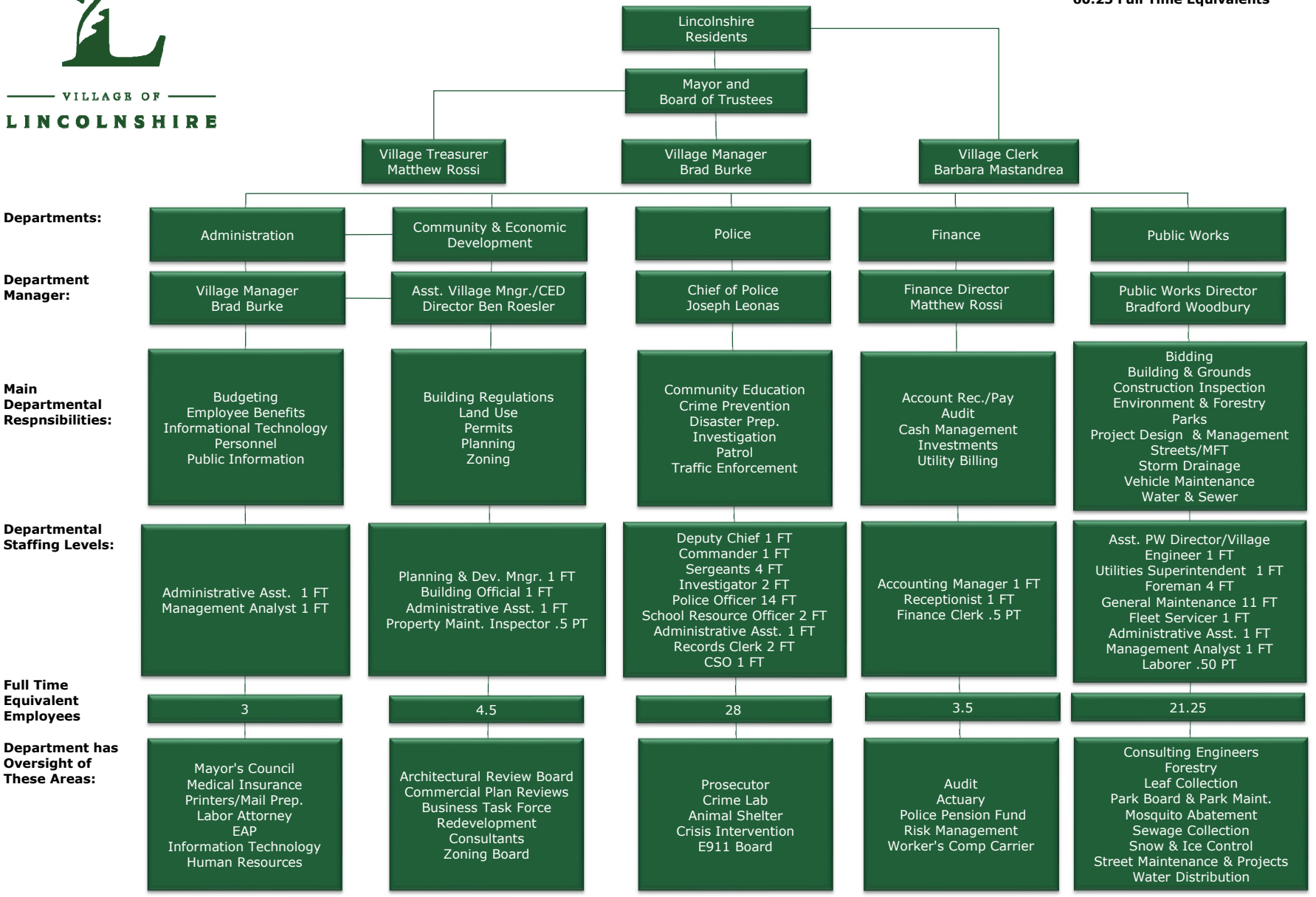
Bradly J. Burke
Village Manager

Matt Rossi
Finance Director/ Treasurer

VILLAGE OF LINCOLNSHIRE

Village of Lincolnshire
Organizational Chart
Effective 12/31/2022

59 Full Time Employees
1.25 Part Time or Seasonal Employees
60.25 Full Time Equivalents



VILLAGE OF LINCOLNSHIRE

PRINCIPAL OFFICIALS

December 31, 2022

Mayor

Elizabeth Brandt

Village Board

Dr. Mara Grujanac
Robert Mitchell
Julie Harms Muth
Veronica Pantelis
Jill Raizin
Dr. Sandra Wright

Village Clerk

Barbara Mastandrea

* * * * * *

Village Manager

Bradly Burke

Finance Director/Village Treasurer

Matt Rossi

Independent Auditors' Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Lincolnshire, Illinois (the Village), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Lincolnshire, Illinois, as of December 31, 2022 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (GAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Village and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and GAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

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

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 is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The 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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 8, 2023 on our consideration of the Village's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Oak Brook, Illinois
June 8, 2023

VILLAGE OF LINCOLNSHIRE, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

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, 2022 (FY2022). 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, 2022 by $105.9 million (net position). Of this amount, $2.8 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 increased by $3.7 million during the twelve months ended December 31, 2022. The net position associated with "governmental activities" decreased $4,164,556. The largest contributing factors for the decrease relate to reallocating storm sewer capital assets from governmental to business type funds. This is a result of the Village establishing the storm sewer fund in fiscal year 2022 and classifying it as a proprietary fund.

  The business-type $381,360 "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 increase in Net Position of $7,913,069 was due to the reallocation of storm sewer assets referenced earlier plus a $1,100,000 subsidy from the General Fund to the Water Sewer Improvement Fund and a $440,000 transfer from the General Fund to the Storm Sewer Improvement Fund.

- At the close of the current fiscal year, the Village's governmental fund's reported combined fund balances of $19.9 million, an increase of $1.9 million, or 10.7%, 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 40.1%, the General Fund comprises the largest share of the Village's combined ending fund balance; the General Capital Fund is second at 35.4% and Nonmajor Fund balance is the third largest fund at 13.0%. 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 $7.9 million fund balance held in the General Fund, 78.2% of it is available spending at the government's discretion (classified as "unassigned").

- At the end of FY2022; the General Fund unrestricted fund balance represents $7,303,772 which includes land held for resale. The General Fund unrestricted fund balance comprises approximately 75.0% of the General Corporate Fund FY2022 annual operating expenditures (excluding non-operating expenses and transfers to capital). The Village's policy is to maintain a minimum of 75% of equivalent operating expenditures.

- The Village's general capital fund saw an increase of $1.1 million to bring the balance to just over $7 million. Funds were transferred from the general fund to the general capital fund due to the general fund revenues exceeding budget expectations by nearly $2 million. The Village budgeted its 2022 general fund revenues very conservatively due to the uncertainty of the COVID-19 economic impact.

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 Village 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 27-29 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 30-33 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 34-37 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 39-40 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 $105.9 million at the close of the most recent fiscal year.

The largest portion of the Village's net position 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	
	2021	2022	2021	2022	2021	2022
Current and Other Assets	$23,849,936	$25,980,003	$3,328,451	$6,687,720	$27,178,387	$32,667,723
Capital Assets	$68,270,324	$60,364,049	$34,260,811	$41,985,112	$102,531,135	$102,349,161
Deferred Outflows of Resources	$1,159,821	$4,684,820	$118,141	$112,650	$1,277,962	$4,797,460
Total Assets and Deferred Outflows	$93,280,081	$91,028,872	$37,707,403	$48,785,482	$130,987,484	$139,814,344
Other Liabilities	$3,948,592	$3,305,531	$1,544,438	$1,378,521	$5,493,030	$4,684,052
Long-Term Liabilities	$14,921,571	$17,921,939	$543,574	$3,563,162	$15,465,145	$21,485,101
Deferred Inflows of Resources	$7,371,069	$6,927,109	$461,041	$772,380	$7,832,110	$7,699,489
Total Liabilities and Deferred Inflows	$26,241,232	$28,154,579	$2,549,053	$5,714,063	$28,790,285	$33,868,642
Net Position						
Investment in Capital Assets Net of Related Debt	$68,270,324	$60,364,049	$34,260,811	$41,764,440	$102,531,135	$102,128,489
Restricted	$4,881,965	$6,278,384	0	$301,167	$4,881,965	$6,579,551
Unrestricted	($6,113,440)	($3,768,140)	$897,539	$1,005,812	($5,215,901)	($2,762,328)
Total Net Position	$67,038,849	$62,874,293	$35,158,350	$ 43,071,419	$102,197,199	$105,945,712

See independent auditors' report

For Fiscal Year ended 2022, 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 22.5% increase in Net Position mainly attributed to the transfer of capital assets from governmental to business type and a $1.1 million transfer in from the general fund. $1.9 million of capital asset depreciation was also recorded in FY2022.

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	
	2021	2022	2021	2022	2021	2022
REVENUES:						
Program Revenues:						
Charges for Services Operate Grants & Contr Capital Grants & Contr	1,737 1,187 498	2,016 1,141 0	5,504 0 0	6,497 0 47	7,241 1,187 498	8,513 1,140 47
General Revenue:						
Property Taxes	2,934	2,814			2,934	2,814
Other Taxes	8,576	10,997			8,576	10,997
Miscellaneous	15	-85			15	-85
Interest Income	84	-61	1	43	85	-18
Total Revenues	**15,031**	**16,822**	**5,505**	**6,587**	**20,536**	**23,409**
EXPENSES:						
General Government	3,543	2,561			3,543	2,561
Public Safety	3,611	4,842			3,613	4,842
Comm & Econ Development	746	862			746	862
Public Works	2,480	1,936			2,480	1,936
Parks & Open Spaces	2,089	1,885			2,089	1,885
Interest	639	606			639	606
Water and Sewer			6,542	6,248	6,542	6,248
Storm Sewer				721		721
Total Expense	**13,108**	**12,692**	**6,542**	**6,969**	**19,560**	**19,660**
Inc (Dec) in assets before transfers	1,923	4,130	(1,037)	(382)	886	3,749
Transfers	(2,400)	(8,294)	2,400	8,294	0	0
Inc (Dec) in Net Position	(478)	(4,165)	1,363	7,913	886	3,749
Net Position - Beginning	67,516	67,039	33,795	35,158	101,311	102,197
Net Position - Ending	$67,039	$62,874	$35,158	$43,071	$102,197	$105,946

Government Activities

During the current fiscal year, net position for governmental activities decreased $4,164,556 (-6.2%) from the Net Position at the start of the fiscal year for an ending balance of $62,874,293. The decrease in overall net position of governmental activities is reflected in the above condensed Statement of Activities.

Revenue:

Total revenues increased $1.8 million from $15.0 million (FY2021) to $16.80 million (FY2022).

Property taxes represent approximately 16.7% 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 4.1% from $2,933,796 (FY2021) to $2,814,452 (FY2022). The Village's equalized assessed valuation decreased 0.41% from $657,767,329 to $655,076,868 for tax years 2020 (fiscal year 2021) and tax year 2021 (fiscal year 2022), respectively.

The Illinois Department of Revenue reports the Village of Lincolnshire's sales tax revenue increased $712,865 from 2021. The largest sales tax categories include Drinking & Eating ($1,261,002), Drugs ($710,479), and Furniture ($787,256). The increase from 2021 can be mainly attributed to businesses opening up after pandemic shutdowns in 2020.

Lincolnshire's other tax revenues posting 2022 gains over 2021 include: Income Tax $306,693 (30.8%); Sales Tax $362,491 (21.8%); Home Rule Sales Tax $348,626 (24.0%); Food and Beverage Tax $142,599 (26.3%); Room Tax $598,819 (65.7%); Real Estate Transfer Tax $553,057 (122.2%). Many of these large increases are due to businesses reopening after the COVID lockdowns in 2020-2021. The only tax revenue that reported a loss was Telecommunications Tax $116,782 (-11.4%) and State Use Tax $36,263 (-11.2%). As residential and commercial properties continue to remove landlines, the Village's telecommunication tax revenue decreases. 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 FY2022, 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 FY2022 services rendered were $363,073; up 8.6% or $28,819 from FY2021. This increase was due to the additional services requested as more post pandemic student activities became available and annual increase to the officer's salaries and benefits. 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 $22,681 (-2.6%) from FY2021. This decrease was led by the Village's investment income which saw a decrease of $249,327 (-2,998%) from fiscal year 2021. Revenue generated from License & Permits and fines and forfeitures saw increases of $166,888 (28.0%) and $59,758 (22.3%) from fiscal year 2021 respectively. Annual new privately owned housing units started in the U.S. decreased from 1.60 million in 2021 to 1.55 million units in 2022, down 3%.

Inflation as of December 2022, as measured by the US Consumer Price Index (CPI), increased 6% from December 2021. 2022 saw a significant increase month over month to the consumer price index. In order to combat the extreme inflation in 2022, the federal reserve implemented seven rate increases in 2022 resulting in the federal fund rate increasing from 0.25% in January 2022 to 4.50% in December 2022. Subsequent to the end of fiscal year 2022, there have been three more rate increases bringing the federal fund rate to 5.25% as of May 23, 2023.

Expenses:

The Village's Governmental Activities expenses decreased $416,767 (-3.2%) from the prior year; $13.1 million in FY2021 compared to $12.7 million in FY2022. This decrease can be partially attributed to the transfer of storm sewer related expenses from the governmental activities to business type activities.

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 2022, the actuary recommended contribution was $1,033,370. Due to late payments from Lake County on the property tax levy, actual contributions were $31,112 lower than the recommended amount at $1,033,370. The Village set its property tax levy in December 2021, collected it in 2022, and direct deposited into the Police Pension Fund. The Village's contribution payments were down $111,002 (10.0%) from FY2021 actual employer contribution. In 2022, the Village is consolidates its police pension assets into a consolidated fund with all other article 3 (police pension) funds in the state of Illinois. This was a part of a legislation put into place in 2019. The consolidation of all article 3 assets allows for a more diversified investment portfolio and is anticipated to have a higher return on investment which is expected to result in lower employer contributions in the long term. Pension funding specifics can be found in Note 3. on pages 66-70.

Business-Type Activities

Business-type activities increased the Village's net position by $7,913,069. Fiscal year 2022 saw the implementation of the storm sewer operating fund and the storm sewer improvement fund. All storm sewer related activity was accounted for in governmental activities prior to 2022. The transfer of all storm sewer assets to business type activities in 2022 is the driving force for the large increase to net position. Business-type activities, classified as a proprietary fund, is made up of water & sanitary sewer and storm sewer funds. Both are made up of an "operations" component and a "capital improvement" component. The Fund's operating income before depreciation was $1,627,869 in 2022.

Revenues:

Operating revenues increased $1,055,350 (19.6%); from $5,390,672 in FY2021 compared to $6,446,022 in FY2022. The storm sewer fee implemented in fiscal year 2022 accounted for $960,522 of the total business type revenue. FY2022 also saw an increase in water & sanitary sewer rates of 5%.

The amount of new residential construction has decreased over recent years with the exception of a couple very small subdivisions under construction. There was a total of 4 customer accounts added in 2022. 2022 customer account increases came primarily from the addition units located in the Lincolnshire Trails and Manors of Whytegate subdivisions.

The year ended with 2,669 units; with 2,411 residential and 258 commercial accounts. Lincolnshire's water and sewer rates increased 5.0% from the prior year.

Expenses:
Depreciation for the business-type activities increased by $299,124 (17.6%) to $1,999,207 for 2022. This is a direct reflection of the transfer of assets from governmental activities to business-type activities.

The Village reports the Water/Sewer, Storm Sewer and Internal Service Fund (Governmental Activities) as proprietary funds. The Water/Sewer and Storm Sewer Funds are considered "major funds." Water is purchased from the City of Highland Park at a rate of $4.11 per thousand gallons. This is an increase of 11.4% from the prior year. Wastewater treatment service is provided under a contractual agreement with Lake County Public Works at a rate of $4.68 (effective December 1, 2022) per thousand gallons of water usage, up 3.1% from 2021. The Village charges all municipal customers based on tiered structure; a higher usage will result in a higher rate. The minimum rate of $14.68 combined water & sewer rate per 1,000 gallons increases to a maximum $18.61 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 (3.9%) from the prior year; $7,045,541 in FY2021 compared to $7,323,676 in FY2022. This increase can be largely contributed to the addition of storm sewer expenses, regular increase wages, and the purchase and maintenance of minor equipment that falls under the capitalization threshold. 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. Comparative operating information for the operations section of the business-type fund for the last four fiscal years ending December 31, are presented below.

WATER & SANITARY SEWER OPERATING RESULTS FROM FY2019 TO FY2022				
	2019	2020	2021	2022
Water: Rate per 1,000 gallons	$6.50	$6.83	$7.17	$7.53
Sewer: Rate per 1,000 gallons	$6.18	$6.49	$6.81	$7.15
Operating Revenue	$4,831,396	$4,838,761	$5,390,672	$5,485,500
Operating Expenses (includes depreciation)	$5,880,021	$6,798,795	$6,542,141	$6,248,224

As part of the FY2022 budget, the Village increased its water usage fees 5.0% and sanitary sewer fees 5.0%. These rates became effective for services provided after December 05, 2021 (February 1, 2022 billing date).

Rate increases from the water supplier have become a regular occurrence, while sanitary sewer charges increases are less frequent. For budget year 2021, a water rate increase was instituted to absorb a proposed rate increase by the Village's water supplier. The General Fund subsidized $1,100,000 to Water & Sanitary Sewer Improvements.

STORM SEWER OPERATING RESULTS FROM FY2019 TO FY2022				
	2019	2020	2021	2022
Storm Sewer Rate per REU	$0	$0	$0	$6.44
Operating Revenue	$0	$0	$0	$960,522
Operating Expenses (includes depreciation)	$0	$0	$0	$569,136

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, 2022 the Village's governmental fund balance reported a combined ending fund balance of $19.9 million. This was an increase of $1.9 million (10.7%) compared to the prior fiscal year. The largest contributing factors relate to multiple tax revenue sources exceeding budget expectations and prior year actual amounts including Sales Tax (21.8% above 2021 revenue), Home Rule Sales Tax (24% above 2021 revenue), Food & Beverage Tax (26.3% above 2021 revenue), and Room Tax (65.7% above 2021 revenue). After multiple years of declining revenue as a result of the COVID-19 pandemic, multiple general fund revenue sources have returned to levels not seen since 2019.

The General Fund's $6.25 million unassigned Fund Balance is the largest portion of the $7.99 million general fund balance. FY2022 represents the ninth year of the Village implementing the general capital fund. A portion of the Governmental Fund Balance is assigned; $7.06 million or 35.4%, 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 $2.28 million restricted Fund Balance of the SSA Debt Service Fund makes it the third largest portion of the governmental fund balance at 11.5%. The fund balances classified as "non-spendable" and "restricted" are $1,144,651 and $5,324,674 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 an increase of $604,914 or 8.2%, 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 FY2022, the General Fund transfer to General Capital Projects Fund was $1,660,000.

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 FY2022 budget revenue reveals total General Fund revenues were 16.2% above FY2022 Final Budget or $2,084,458. Total actual expenditures $11.10 million were 4.3% below $11.59 million budget or $496,041.

GENERAL OPERATING FUND BALANCE			
FISCAL YEAR	TOTAL FUND BALANCE	OPERATING EXPENSES (EXCLUDING CAPITAL)	FUND BALANCE AS % OF OPER. EXP.
12/31/2019*	$6,878,959	$9,245,277	77.8%
12/31/2020*	$7,011,644	$8,683,038	79.6%
12/31/2021*	$6,903,718	$9,305,070	74.2%
12/31/2022*	$7,303,772	$9,520,296	76.7%

* Excludes Non-spendable Fund Balance and Restricted Fund Balance related to Public Safety totaling. Includes 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 2022.

The total combined fund balance of the three non-major governmental funds increased $189,755 from $2.40 million to $2.59 million. A decrease occurred in the Park Development Fund ($-238,022) as it lacks a stable revenue source. Motor Fuel Tax Fund ($313,017); as well as, Fraud Alcohol Drug Enforcement Fund ($114,760) both saw increases in FY2022 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 increased $397,518 (1.1%) from $35.16 million for FY2021 to $35.56 million in FY2022. The unrestricted net position declined $22,202 (-2.5%) for FY2022. 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.

The net position of the Storm Sewer Fund is $7,515,551. The unrestricted portion is $393,997 for FY2022.

General Fund Budgetary Highlights

On March 14, 2022, the Village Board approved the annual appropriations ordinance for the Village of Lincolnshire for Fiscal Year 2022. 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 passed a supplemental appropriation in order to properly transfer funds out of the general fund in order to not exceed the 75% fund balance in FY2022. 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):

	Budget	Actual	Variance
General Fund:			
Revenues:			
Property Tax	$1,713,080	$1,651,465	($61,615)
Other Taxes	$8,973,000	$11,451,677	$2,478,677
Licenses and permits	$679,870	$763,836	$83,966
Fines and Forfeitures	$239,000	$213,383	($25,617)
Intergovernmental	$986,000	$1,032,777	$46,777
Investment Income	$140,000	($283,867)	($423,867)
Miscellaneous	$92,800	$78,937	($13,863)
TOTAL REVENUES	$12,823,750	$14,908,208	$2,084,458
Expenditures:			
General Government	$2,501,250	$2,329,015	($172,235)
Public Safety	$5,066,700	$4,863,516	($203,184)
Comm & Econ Dev.	$1,119,465	$1,082,529	($36,936)
Public Works	$1,542,020	$1,482,159	($59,861)
Parks & Open Spaces	$1,369,900	$1,346,075	($23,825)
Debt Service	$0	$0	$0
TOTAL EXPENDITURES	$11,599,335	$11,103,294	($496,041)

The Village Board, as part of the 2022 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.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Governmental-Type Activities

The Village's Net Investment in Capital Assets, net of accumulated depreciation, for governmental-type capital assets, as of the fiscal year end was $60,364,049. This decrease of $7.9 million can be mainly attributed to the transfer of all storm sewer assets from governmental to business type.

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

- Construction in Progress
  - Park & Entryway Sign Design and Installation

- Disposed Assets
  - Kubota Mini Excavator
  - Underground Unleaded Fuel Storage Tank
  - Village Hall Server Tower

- Equipment/Vehicles purchased
  - Server Replacement - $71,121
  - Microwave WAN System - $94,112
  - Excavator - $80,553
  - North Park Soccer Goal - $21,763

- Building and parking improvements- none

- Easements- none

- Land- none

- Land Improvements
  - Balzer Park Pour in Place Surface - $126,360

- Parks- none

- No Right of Way purchases or donated- none

- Street constructed or dedicated to the Village- none

- Pathways- none

- Streetlights- none

- Traffic Control Signals- none

- Pedestrian Bridge- none

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 $34,260,811.

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

- Construction in Progress
  - Lincolnshire Drive Watermain Replacement
  - Lincolnshire Drive South Drainage Project
  - Lincolnshire Drive North Drainage Project
  - Windsor Drive Drainage Project

- Disposed Assets
  - None

- Vehicles/Equipment
  - Trench Box - $10,847

- Water main
  - Crosstown Watermain - $3,999,118
  - Northampton Watermain - $1,228,857

- Sanitary Sewer- none

- Storm Sewer
  - Surrey Storm Sewer Improvement Surrey (Inlets & Piping) - $148,164
  - Briarwood Detention Basin Restoration - $304,435

Debt

The Village debt consists of one municipal bond obligation related to Special Service Area (SSA) project and one general obligation bond in an enterprise fund. 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.

In FY2022, the Village issued $4 million in debt (series 2022) for use on a storm sewer capital project. The Village completed a drainage study in 2019 and identified four necessary capital projects accounting for over $20 million to mitigate flooding issues in Lincolnshire. The series 2022 bond proceeds will be used to complete the first capital project. Future debt issuances are expected for the other three capital projects.

At the end of the fiscal year, the Village's SSA related debt amounted to $9.61 million while the series 2022 debt amounted to $4.07 million. This is an increase of 35% due to the new issuance in 2022.

OUTSTANDING DEBT AT YEAR END DECEMBER 31						
Type of Debt	Government Activities		Business Activities		Totals	
	2021	2022	2021	2022	2021	2022
Bond Issue-SSA	$10,140,000	$9,610,000	$0	$0	$10,140,000	$9,610,000
Business Type General Obligation	$0	$0	$0	$4,065,000	$0	$4,065,000
Total	$10,140,000	$9,610,000	$0	$4,065,000	$10,140,000	$13,675,000

The Village is a home rule community, and is; therefore, not limited by State Statute pertaining to debt limit. The Village's outstanding debt represents 0.674% of its EAV. 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 excess reserves from the general fund and has historically sought bank loans for large projects. In April 2022, the Village sought a credit rating in order to complete its series 2022 debt issuance to fund a storm sewer capital project. In May 2022, The Village received a AAA rating from Standard & Poor's (S&P) Global Ratings which is the most prestigious rating and signifies the Village has extremely strong capacity to meet financial commitments.

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 2022 and 2021 was as follows: Village Green (2022 – 97%; 2021 - 95%); Lincolnshire Commons (2022 – 84%; 2021 - 82%); and City Park (2022 – 26%; 2021 – 47%). The overall retail occupancy in the Village was 77% in the first quarter of 2022 versus 80% in the first quarter of 2021.

Lincolnshire's office occupancy rate was 76% in the first quarter of 2022, compared to 80% in the first quarter of 2021. Lincolnshire's industrial occupancy rate was 82% in the first quarter of 2022 and 95% in the first quarter of 2021.

Below is an overview of commercial and industrial activity in the Village as of December 2022:

- Arthur J. Greene Construction continued building and 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 2022, eight certificates of occupancy and 14 permits were issued. Construction is expected to be completed by the fall of 2023.

- **U-Haul** continued construction on additional improvements for warehouse, self-storage, and RV parking on a 31-acre property at 200 Industrial Drive following Village Board approvals in August 2021.

- **Keystone Planning + Design**, the developer of the 8-acre property at the southwest corner of Milwaukee Avenue and Half Day Road, received Phase 1 preliminary development plan approvals for a Thorntons gas station/convenience store, Buona Beef restaurant, Rainbow Cone Café, and two other retail/restaurant uses in November 2022. The developer expects to submit an application for the final development plans in the summer of 2023.

- The 41-acre **St. James** property at 90, 98, and 100 Half Day Road was listed for sale in March 2022, as the owner TSJ Lincolnshire Properties LLC decided not to finalize Village approvals due to their changing operations as a result of the COVID-19 pandemic. The property has not sold as of December 2022. TSJ is finalizing building demolition and site clearance activities in preparation for future development.

- The 26-acre former **Lietzau Farm** property at 15730 Aptakisic Road is under contract by Panattoni Development for two large speculative warehouse buildings. The developer is undergoing Village approvals.

- The 30-acre **Quill** corporate campus property at 100 Schelter Road was purchased by Carlson Labs, a nutritional supplements company, in December 2022. The company intends to renovate the buildings for their office and industrial operations.

The following ten (10) businesses opened in Lincolnshire in 2021:

- **Expert Family Eyecare**, 185 Milwaukee Avenue (1,411 sq.ft.)
- **Illinois State Senator Adriane Johnson's Office**, 1 Overlook Point (644 sq.ft.)
- **INT**, a business services company, 175 Olde Half Day Road (1,599 sq.ft.)
- **Ishana Dance Academy**, 430 Milwaukee Avenue (1,142 sq.ft.)
- **JL Beauty and Permanent Makeup**, 175 Olde Half Day Road (87 sq.ft.)
- **LS Electric America**, 625 Heathrow Drive (44,500 sq.ft.)
- **NEC Enterprise Communication Technologies**, 300 Tri-State International (4,313 sq.ft.)
- **Pancake Café**, 300 Village Green (4,000 sq.ft.)
- **S&F Software Solutions**, 111 Barclay Boulevard (212 sq.ft.)
- **SG Law**, 175 Olde Half Day Road (220 sq.ft.)

See independent auditors' report

- **The Paper Tube Company**, 585 Bond Street (26,000 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 combined general fund and general capital Fund Balance, the Village ended FY2022 in a more favorable financial position as it did at the start of the year. Net change to both funds combined increased $1.69 million. This increase can be mainly attributed to general fund revenues exceeding prior year actual and budget expectations.

Real estate transfer tax stamp revenue increased 122% from $452,664 in FY2021 to $1,005,721 in FY2022. The total number of properties decreased from 244 in 2021 to 210 in 2022, but there was a significant increase in commercial sales which typically have a higher tax collection amount. Major sales recorded in FY2022 include 3 Overlook Point, 4 Overlook Point,100 Schelter Road, 577 Aptakisic Road, and 195 Schelter Road

FY 2022	Real Estate Transfer Tax Stamps Sold	Real Estate Transfer Tax Stamp Revenue	Real Estate Sales Value
Single Family	141	$ 303,076	$ 105,671,390
Condo Units	24	$ 27,693	$ 9,226,402
Townhomes	23	$ 35,196	$ 11,730,368
Land	2	$ 4,458	$ 1,485,888
Commercial	20	$ 635,298	$ 211,763,621
TOTALS	210	$ 1,005,721	$ 339,877,669

- The Lincolnshire equalized assessed valuation (EAV) increased in tax year 2022 after two years of decreases. The 2022 EAV increased 2.8% or $18.3 million compared to 2021. The 2022 EAV (which is used for the property tax collected in Fiscal Year 2023) is $676,002,635. 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
2021	2022	$655,076,868
2022	2023	$676,002,635

- The unemployment rate (not seasonally adjusted) for December 2021; according to the Bureau of Labor Statistics was 2.4% in Lake County. The rate in the State of Illinois for the same time period was 4.6% and the U.S. rate was 3.5%.

- According to United States Census Bureau, Lincolnshire's 2022 per capita income was $84,919; while the median household income was $144,676.

BUDGET HIGHLIGHTS FOR FISCAL YEAR 2022.

General Fund

Seven types of revenue sources account for 69.9% of the total budgeted revenues for the FY2023 General Fund. These sources and their respective budget increases/ -decreases over FY2023 are as follows: Sales Tax (25.8%), Home Rule Sales Tax (25.9%), Utility Tax (0%), Telecommunication Tax (-9.7%), Room Tax (22.4%) Admissions Tax (63.0%), and Property Tax (3.0%). Given the impact of the COVID-19 pandemic and related revenue loss, the Village Board is closely monitoring economic conditions. The 2023 budget reflects an increase to the property tax budget due to an increase to the Village's EAV. All tax percentages are to remain the same in 2023 as they were in 2022. A 5% increase to water and sewer rates were applied in FY2023.

Excluding transfers and debt service, the General Fund Expense budget increased $430,469 (3.7%) from $11.6 million in FY2022 to $12.02 million in FY2023. Notable expenditure increases include: Police Salaries $160,000 as the result of the addition of two new positions, Economic Development Incentives $125,000 as a result of increased sales tax revenue, FLOCK cameras $26,000 for police services; and $46,880 increase in IT services due to additional IT projects occurring in 2023. The largest decrease comes from IMRF contributions due to a decrease in the Village's required contribution rate. The General Fund FY2023 budget anticipates a $1,300,000 transfer in from General Capital Fund a $1,300,000 transfer out to the Water/ Sewer Improvement Fund, and a $440,000 transfer to the Storm Sewer Operating Fund.

The Fiscal Year 2023 Budget contemplates implementation of $2,305,900 in General Capital improvement projects. The Village continues its commitment to capital improvements to the Village infrastructure. General capital projects budgeted in FY2023 include:

- Replacement of three Police Department vehicles
- Replacement of Police Department printer
- Replacement of AV and media equipment in Village Hall board room
- Replace multiple pieces of fleet maintenance equipment
- Replacement of a one ton flatbed truck
- Replacement of a large dump truck
- Road resurfacing
- Upgrade of lighting at Whytegate Park
- Extension of Whytegate Park parking lot
- Resurfacing of bike paths
- Replace bridge at Spring Lake Park
- Replacement of Village Entryway and Park Entrance signs
- Replacement of Village Hall kiosk sign
- Replacement of A/C compressor at Village Hall Facility
- Upgrade HVAC equipment at Public Works Facility

The Village reopened its E911 fund effective January 1, 2023. The activity included in this fund includes dispatch personnel expenses, which is outsourced to the Village of Deerfield, and the purchase of certain police equipment that falls within JETSB purchasing standards. Included in the FY2023 budget is the purchase of Starcom Radios for the Police Department. In recent fiscal years, this activity ran through the General Fund.

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, Matt Rossi at mrossi@lincolnshireil.gov or accessing the Village's website at www.lincolnshireil.gov. A copy of this Annual Comprehensive Financial Report (ACFR) can be found on the website.

	Governmental Activities	Business-Type Activities	Total
Assets and Deferred Outflows of Resources			
Assets			
Cash and cash equivalents	$ 4,972,744	$ 1,231,574	$ 6,204,318
Investments	13,469,482	4,250,179	17,719,661
Receivables (net):			
Property taxes	2,870,556	-	2,870,556
Other taxes	1,840,837	-	1,840,837
Accounts	144,398	878,866	1,023,264
Accrued interest	14,963	-	14,963
Prepaid items	97,930	25,934	123,864
Deposits	562,639	-	562,639
Land held for resale	1,052,744	-	1,052,744
Net pension asset	953,710	301,167	1,254,877
Capital assets:			
Capital assets not being depreciated/amortized	43,847,657	915,437	44,763,094
Capital assets (net of accumulated depreciation/amortization)	16,516,392	41,069,675	57,586,067
Total assets	86,344,052	48,672,832	135,016,884
Deferred Outflows of Resources			
Pension items, IMRF	356,728	112,650	469,378
Pension items, police pension	4,328,092	-	4,328,092
Total deferred outflows of resources	4,684,820	112,650	4,797,470

See notes to financial statements

	Governmental Activities	Business-Type Activities	Total
Liabilities, Deferred inflows of Resources and Net Position			
Liabilities			
Accounts payable	$ 935,601	$ 532,363	$ 1,467,964
Accrued payroll	124,750	15,585	140,335
Deposits payable	1,118,235	-	1,118,235
Accrued interest payable	200,209	12,564	212,773
Noncurrent liabilities:			
Due within one year	926,736	818,009	1,744,745
Due in more than one year	17,921,939	3,563,162	21,485,101
Total liabilities	21,227,470	4,941,683	26,169,153
Deferred Inflows of Resources			
Property taxes levied for future periods	2,870,556	-	2,870,556
Pension items, IMRF	2,445,856	772,380	3,218,236
Pension items, police pension	1,610,697	-	1,610,697
Total deferred inflows of resources	6,927,109	772,380	7,699,489
Net Position			
Net investment in capital assets	60,364,049	41,764,440	102,128,489
Restricted for:			
Debt service	2,283,921	-	2,283,921
Maintenance of roadways	786,112	-	786,112
Public safety	727,227	-	727,227
Park improvements	1,527,414	-	1,527,414
Employee benefits	953,710	301,167	1,254,877
Unrestricted (deficit)	(3,768,140)	1,005,812	(2,762,328)
Total net position	$ 62,874,293	$ 43,071,419	$105,945,712

See notes to financial statements

Village of Lincolnshire

Statement of Activities
Year Ended December 31, 2022

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital 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	$ 2,560,650	$ 350,725	$ -	$ -	$ (2,209,925)	$ -	$ (2,209,925)
Public safety	4,841,701	1,241,811	563,671	-	(3,036,219)	-	(3,036,219)
Community and economic development	862,004	348,244	-	-	(513,760)	-	(513,760)
Public works	1,936,227	46,771	513,100	-	(1,376,356)	-	(1,376,356)
Parks and open spaces	1,885,091	28,238	64,031	-	(1,792,822)	-	(1,792,822)
Interest and fiscal charges	606,041	-	-	-	(606,041)	-	(606,041)
Total governmental activities	12,691,714	2,015,789	1,140,802	-	(9,535,123)	-	(9,535,123)
Business-type activities:							
Water and Sanitary Sewer Fund	6,248,224	5,536,403	-	-	-	(711,821)	(711,821)
Storm Sewer Fund	720,741	960,522	-	47,494	-	287,275	287,275
Total business-type activities	6,968,965	6,496,925	-	47,494	-	(424,546)	(424,546)
Total	$ 19,660,679	$ 8,512,714	$ 1,140,802	$ 47,494	(9,535,123)	(424,546)	(9,959,669)
General Revenues							
Taxes:							
Property					2,814,452	-	2,814,452
Sales					2,022,181	-	2,022,181
Local use					321,794	-	321,794
Utility					1,257,611	-	1,257,611
Telecommunications					910,389	-	910,389
Food and beverage					684,543	-	684,543
Room and admissions					1,689,459	-	1,689,459
Real estate transfer					1,005,721	-	1,005,721
Home rule sales					1,801,569	-	1,801,569
Income tax					1,303,788	-	1,303,788
Investment income (loss)					(61,144)	43,186	(17,958)
Miscellaneous					(85,367)	-	(85,367)
Total general revenues					13,664,996	43,186	13,708,182
Transfers					(8,294,429)	8,294,429	-
Change in net position					(4,164,556)	7,913,069	3,748,513
Net Position, Beginning					67,038,849	35,158,350	102,197,199
Net Position, Ending					$ 62,874,293	$ 43,071,419	$ 105,945,712

See notes to financial statements

Village of Lincolnshire

Balance Sheet
Governmental Funds
December 31, 2022

	General Corporate Fund	Special Service Area Debt Service Fund	General Capital Projects Fund	Nonmajor Governmental Funds	Total
Assets					
Cash and cash equivalents	$ 2,313,954	$ 933,980	$ 93,279	$ 1,553,534	$ 4,894,747
Investments	3,785,835	1,349,941	7,316,830	1,016,876	13,469,482
Receivables:					
Property taxes	1,709,931	1,160,625	-	-	2,870,556
Other taxes	1,809,847	-	-	30,990	1,840,837
Accounts	104,368	-	40,030	-	144,398
Accrued interest	14,963	-	-	-	14,963
Prepaid items	91,907	-	-	-	91,907
Deposits	562,639	-	-	-	562,639
Land held for resale	1,052,744	-	-	-	1,052,744
Total assets	$ 11,446,188	$ 3,444,546	$ 7,450,139	$ 2,601,400	$ 24,942,273
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	$ 506,560	$ -	$ 389,393	$ 9,072	$ 905,025
Accrued payroll	121,144	-	-	-	121,144
Deposits payable	1,118,235	-	-	-	1,118,235
Total liabilities	1,745,939	-	389,393	9,072	2,144,404
Deferred Inflows of Resources					
Property taxes levied for a future period	1,709,931	1,160,625	-	-	2,870,556
Total deferred inflows of resources	1,709,931	1,160,625	-	-	2,870,556
Fund Balances					
Nonspendable for prepaid items	91,907	-	-	-	91,907
Nonspendable for land held for resale	1,052,744	-	-	-	1,052,744
Restricted for debt service purposes	-	2,283,921	-	-	2,283,921
Restricted for maintenance of roadways	-	-	-	786,112	786,112
Restricted for public safety	594,639	-	-	132,588	727,227
Restricted for park improvements	-	-	-	1,527,414	1,527,414
Assigned for capital projects	-	-	7,060,746	146,214	7,206,960
Unassigned fund balance	6,251,028	-	-	-	6,251,028
Total fund balances	7,990,318	2,283,921	7,060,746	2,592,328	19,927,313
Total liabilities, deferred inflows of resources and fund balances	$ 11,446,188	$ 3,444,546	$ 7,450,139	$ 2,601,400	$ 24,942,273

See notes to financial statements

Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2022

Total Fund Balances, Governmental Funds	$	19,927,313
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.		60,364,049
Net pension assets do not relate to current financial resources and are not reported in the governmental funds.		953,710
Less amount reported in the internal service fund below.		(75,293)
Accrued interest on long-term liabilities is shown as a liability on the statement of net position.		(200,209)
Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.		4,684,820
Less amount reported in the internal service fund below.		(28,163)
Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.		(4,056,553)
Less amount reported in the internal service fund below.		193,096
The compensated absences liability for the Village is not due and payable in the current period and, therefore, not reported in the governmental funds.		(366,736)
Less amount reported in the internal service fund below.		3,662
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		(9,610,000)
Net pension liability, Police Pension		(7,131,972)
Total OPEB liability		(1,739,967)
Less internal service fund long-term liabilities		61,145
Internal service funds are reported in the statement of net position as governmental activities.		(104,609)
Net Position of Governmental Activities	$	62,874,293

See notes to financial statements

Village of Lincolnshire

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
Year Ended December 31, 2022

	General Corporate Fund	Special Service Area Debt Service Fund	General Capital Projects Fund	Nonmajor Governmental Funds	Total
Revenues					
Property taxes	$ 1,651,465	$ 1,162,987	$ -	$ -	$ 2,814,452
Other taxes	11,451,677	-	-	-	11,451,677
Licenses, permits and fees	763,836	-	-	-	763,836
Fines and forfeitures	213,383	-	-	114,760	328,143
Intergovernmental	1,032,777	-	40,030	462,188	1,534,995
Investment income (loss)	(283,867)	21,578	-	4,645	(257,644)
Donations	-	-	-	64,031	64,031
Miscellaneous	78,937	-	25,207	953	105,097
Total revenues	14,908,208	1,184,565	65,237	646,577	16,804,587
Expenditures					
Current:					
General government	2,329,015	1,100	55,464	-	2,385,579
Public safety	4,863,516	-	-	-	4,863,516
Community and economic development	1,082,529	-	-	-	1,082,529
Public works	1,482,159	-	-	-	1,482,159
Parks and open spaces	1,346,075	-	-	-	1,346,075
Capital outlay	-	-	1,276,378	-	1,276,378
Debt service:					
Principal retirement	-	530,000	-	-	530,000
Interest and fiscal charges	-	617,188	-	-	617,188
Total expenditures	11,103,294	1,148,288	1,331,842	-	13,583,424
Excess (deficiency) of revenues over expenditures	3,804,914	36,277	(1,266,605)	646,577	3,221,163
Other Financing Sources (Uses)					
Transfers in	-	-	2,337,494	-	2,337,494
Proceeds from sale of capital assets	-	-	17,000	-	17,000
Transfers out	(3,200,000)	-	-	(456,822)	(3,656,822)
Total other financing sources (uses)	(3,200,000)	-	2,354,494	(456,822)	(1,302,328)
Net change in fund balances	604,914	36,277	1,087,889	189,755	1,918,835
Fund Balances, Beginning	7,385,404	2,247,644	5,972,857	2,402,573	18,008,478
Fund Balances, Ending	$ 7,990,318	$ 2,283,921	$ 7,060,746	$ 2,592,328	$ 19,927,313

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, 2022

Net Change in Fund Balances, Total Governmental Funds	$	1,918,835
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		298,543
Net book value of assets transferred to enterprise funds		(6,975,101)
Depreciation is reported in the government-wide financial statements		(1,229,717)
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.		530,000
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		(87,953)
Total OPEB liability		642,733
Accrued interest on debt		11,147
Net pension asset/liability		(3,407,602)
Deferred outflows of resources related to pensions		3,528,511
Deferred inflows of resources related to pensions		560,296
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		45,752
Change in Net Position of Governmental Activities	$	(4,164,556)

See notes to financial statements

Statement of Net Position
Proprietary Funds
December 31, 2022

	Business-Type Activities - Enterprise Funds			
	Water and Sanitary Sewer Fund	Storm Sewer Fund	Total	Governmental Activities - Internal Service Fund
Assets				
Current assets:				
Cash and cash equivalents	$ 735,840	$ 495,734	$ 1,231,574	$ 77,997
Investments	434,403	3,815,776	4,250,179	-
Receivables:				
Accounts, billed	416,796	83,587	500,383	-
Accounts, unbilled	378,483	-	378,483	-
Prepaid items	25,865	69	25,934	6,023
Total current assets	1,991,387	4,395,166	6,386,553	84,020
Noncurrent assets:				
Capital assets:				
Capital assets not being depreciated	185,652	729,785	915,437	-
Capital assets (net of accumulated depreciation)	34,494,879	6,574,796	41,069,675	-
Other assets:				
Net pension asset	263,522	37,645	301,167	75,293
Total noncurrent assets	34,944,053	7,342,226	42,286,279	75,293
Total assets	36,935,440	11,737,392	48,672,832	159,313
Deferred Outflows of Resources				
Pension items, IMRF	98,569	14,081	112,650	28,163
Total deferred outflows of resources	98,569	14,081	112,650	28,163

See notes to financial statements

Village of Lincolnshire

Statement of Net Position
Proprietary Funds
December 31, 2022

	Business-Type Activities - Enterprise Funds			
	Water and Sanitary Sewer Fund	Storm Sewer Fund	Total	Governmental Activities - Internal Service Fund
Liabilities				
Current liabilities:				
Accounts payable	$ 500,827	$ 31,536	$ 532,363	$ 30,576
Accrued payroll	13,992	1,593	15,585	3,606
Accrued interest	-	12,564	12,564	-
Compensated absences	63,550	4,459	68,009	3,662
General obligation bonds payable	-	750,000	750,000	-
Total current liabilities	578,369	800,152	1,378,521	37,844
Noncurrent liabilities:				
Long-term debt:				
General obligation bonds payable	-	3,315,000	3,315,000	-
Total OPEB liability	223,936	24,226	248,162	61,145
Total noncurrent liabilities	223,936	3,339,226	3,563,162	61,145
Total liabilities	802,305	4,139,378	4,941,683	98,989
Deferred Inflows of Resources				
Pension items, IMRF	675,836	96,544	772,380	193,096
Total deferred inflows of resources	675,836	96,544	772,380	193,096
Net Position				
Net investment in capital assets	34,680,531	7,083,909	41,764,440	-
Restricted for:				
Employee benefits	263,522	37,645	301,167	75,293
Unrestricted net position (deficit)	611,815	393,997	1,005,812	(179,902)
Total net position	$ 35,555,868	$ 7,515,551	$ 43,071,419	$ (104,609)

See notes to financial statements

Village of Lincolnshire

Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
Year Ended December 31, 2022

	Business-Type Activities - Enterprise Funds			
	Water and Sanitary Sewer Fund	Storm Sewer Fund	Total	Governmental Activities - Internal Service Fund
Operating Revenues				
Charges for services	$ 5,478,370	$ 960,522	$ 6,438,892	$ 552,068
Miscellaneous	7,130	-	7,130	-
Total operating revenues	5,485,500	960,522	6,446,022	552,068
Operating Expenses				
Administration	247,401	247,740	495,141	-
Operations	4,255,776	3,304	4,259,080	-
Repairs and maintenance	62,720	1,212	63,932	506,316
Depreciation	1,682,327	316,880	1,999,207	-
Total operating expenses	6,248,224	569,136	6,817,360	506,316
Operating income (loss)	(762,724)	391,386	(371,338)	45,752
Nonoperating Revenues (Expenses)				
Investment income	9,339	33,847	43,186	-
Connection fees	50,903	-	50,903	-
Intergovernmental	-	47,494	47,494	-
Bond issuance costs	-	(62,399)	(62,399)	-
Interest and fiscal charges	-	(89,206)	(89,206)	-
Total nonoperating revenues (expenses)	60,242	(70,264)	(10,022)	-
Income (loss) before contributions and transfers	(702,482)	321,122	(381,360)	45,752
Contributions and Transfers				
Transfers in	1,100,000	440,000	1,540,000	-
Transfers out	-	(220,672)	(220,672)	-
Contributions of capital assets	-	6,975,101	6,975,101	-
Total contributions and transfers	1,100,000	7,194,429	8,294,429	-
Change in net position	397,518	7,515,551	7,913,069	45,752
Net Position (Deficit), Beginning	35,158,350	-	35,158,350	(150,361)
Net Position (Deficit), Ending	$ 35,555,868	$ 7,515,551	$ 43,071,419	$ (104,609)

See notes to financial statements

Village of Lincolnshire

Statement of Cash Flows
Proprietary Funds
Year Ended December 31, 2022

	Business-Type Activities - Enterprise Funds			
	Water and Sanitary Sewer Fund	Storm Sewer Fund	Total	Governmental Activities - Internal Service Fund
Cash Flows From Operating Activities				
Received from customers	$ 5,372,649	$ 876,935	$ 6,249,584	$ 552,068
Paid to suppliers for goods and services	(4,158,721)	(101,886)	(4,260,607)	(403,015)
Paid to employees for services	(649,307)	(69,884)	(719,191)	(177,564)
Payments to other funds	(55,207)	-	(55,207)	-
Other income	7,130	-	7,130	-
Net cash flows from operating activities	516,544	705,165	1,221,709	(28,511)
Cash Flows From Investing Activities				
Investment income	2,628	33,847	36,475	-
Purchase of investments	-	(3,815,776)	(3,815,776)	-
Net cash flows from investing activities	2,628	(3,781,929)	(3,779,301)	-
Cash Flows From Noncapital Financing Activities				
Connection fees	50,903	-	50,903	-
Transfers	1,100,000	219,328	1,319,328	-
Change in interfund balances	(46)	-	(46)	-
Net cash flows from noncapital financing activities	1,150,857	219,328	1,370,185	-
Cash Flows From Capital and Related Financing Activities				
Debt issued	-	4,065,000	4,065,000	-
Interest paid	-	(76,642)	(76,642)	-
Debt issuance costs	-	(62,399)	(62,399)	-
Cash received from capital grants	-	47,494	47,494	-
Acquisition and construction of capital assets	(3,122,437)	(620,283)	(3,742,720)	-
Net cash flows from capital and related financing activities	(3,122,437)	3,353,170	230,733	-
Net change in cash and cash equivalents	(1,452,408)	495,734	(956,674)	(28,511)
Cash and Cash Equivalents, Beginning	2,188,248	-	2,188,248	106,508
Cash and Cash Equivalents, Ending	$ 735,840	$ 495,734	$ 1,231,574	$ 77,997

See notes to financial statements

Village of Lincolnshire

Statement of Cash Flows
Proprietary Funds
Year Ended December 31, 2022

	Business-Type Activities - Enterprise Funds			
	Water and Sanitary Sewer Fund	Storm Sewer Fund	Total	Governmental Activities - Internal Service Fund
Reconciliation of Operating Income (Loss) to Net Cash Flows From Operating Activities				
Operating income (loss)	$ (762,724)	$ 391,386	$ (371,338)	$ 45,752
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:				
Depreciation	1,682,327	316,880	1,999,207	-
Changes in assets and liabilities:				
Accounts receivable	(105,721)	(83,587)	(189,308)	-
Prepaid expense	(2,866)	(69)	(2,935)	(163)
Deferred outflows related to pensions	19,572	(14,081)	5,491	3,512
Accounts payable	43,960	5,459	49,419	11,344
Accrued salaries	1,453	1,593	3,046	164
Net pension liability/asset	(497,311)	(37,645)	(534,956)	(137,974)
Deferred inflows related to pensions	214,795	96,544	311,339	69,485
Compensated absences	8,908	4,459	13,367	(394)
Total OPEB liability	(85,849)	24,226	(61,623)	(20,237)
Net cash flows from operating activities	$ 516,544	$ 705,165	$ 1,221,709	$ (28,511)
Noncash Capital and Related Financing Activities				
Change in capital-related accounts payable	$ (1,020,390)	$ 26,077		$ -
Transfer of capital assets from governmental activities	$ -	$ 6,975,101		$ -

See notes to financial statements

Village of Lincolnshire

Statement of Fiduciary Net Position
Fiduciary Fund
December 31, 2022

	Pension Trust Fund
Assets	
Cash and cash equivalents	$ 26,231
Investments:	
Money markets	542,197
Equities	6,535
Illinois Police Officers' Investment Fund	24,980,303
Receivables:	
Prepaid items	4,692
Total assets	25,559,958
Liabilities	
Accounts payable	428
Total liabilities	428
Net Position	
Restricted for pension benefits	25,559,530
Total net position	$ 25,559,530

See notes to financial statements

Village of Lincolnshire

Statement of Changes in Fiduciary Net Position
Fiduciary Fund
Year Ended December 31, 2022

	Pension Trust Fund
Additions	
Contributions	
Employer	$ 1,002,258
Employee	242,932
Total contributions	1,245,190
Investment income	
Net appreciation (depreciation) in fair value of investments	(4,769,573)
Interest earned on investments	240,827
Total investment income	(4,528,746)
Less investment expense	(13,333)
Net investment income (loss)	(4,542,079)
Total additions	(3,296,889)
Deductions	
Benefits	1,554,362
Administrative	40,627
Total deductions	1,594,989
Change in fiduciary net position	(4,891,878)
Net Position, Beginning	30,451,408
Net Position, Ending	$ 25,559,530

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% 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% test is at least 5% 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 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 Funds

The Village reports the following major enterprise funds, which are the Village's only enterprise funds:

Water and Sanitary Sewer Fund is comprised of the water and sanitary sewer revenue account and the water and sewer improvement account.

Storm Sewer Fund is comprised of the the storm sewer revenue account and the storm sewer improvement account.

All enterprise funds account 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.

Illinois Public Act 101 0610 consolidated the assets of the state's more than 650 downstate and suburban public safety pension funds into two consolidated investment funds and required the Police Pension Fund to pool their funds for investment purposes. During the year, the investments of the Police Pension Fund were transferred to Illinois Police Officers' Pension Investment Fund. The Illinois Police Officers' Pension Investment Fund is an external investment pool valued at share price, the price for which the investments could be sold.

The Illinois Police Officers' Pension Investment Fund's investment policy statement has an investment objective to earn a long-term, net-of-fees, investment return that meets or exceeds the actuarial assumed rate of return and the return of the Policy Benchmark consistent with the risk level expected from the asset allocation. In the March 4, 2022 actuarial experience study the Illinois Police Officers' Pension Investment Fund's actuaries recommended an investment return of 6.75%.

Additional information related to the Illinois Police Officers' Pension Investment Fund can be found at https://www.ipopif.org.

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% under 30 days, 25% under 90 days, 50% under 270 days, 90% under one year and 100% 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.

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 investing in the Illinois Police Officers' Pension Investment Fund.

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% maximum; U.S. Government agency securities and instruments of government sponsored corporations - 100% maximum; certificates of deposit (CDs) commercial banks - 33% 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% maximum; and IMET - 35%. Diversification by institution is as follows: CDs - no more than 15% of the total portfolio with any one institution.

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% 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 2022 attaches as an enforceable lien on January 1, 2022, 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 2022 are prepared by Lake County and issued on or about May 1, 2023 and August 1, 2023 and are payable in two installments, on or about June 1, 2023 and September 1, 2023 or within 30 days of the tax bills being issued.

The County collects such taxes and remits them periodically. The 2022 property tax levy is recognized as a receivable and deferred inflows in fiscal 2022. As the taxes become available to finance current expenditures, they are recognized as revenues. At December 31, 2022, the property taxes receivable and related deferred inflows consisted of the estimated amount collectible from the 2022 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, and overhead. 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
Storm sewer system: business-type activities	50 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 assets 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, 2022, 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 assets 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% 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's and Police Pension Fund's deposits and investments at year end were comprised of the following:

	Village	Police Pension Fund	Total
Deposits	$ 6,194,817	$ 26,231	$ 6,221,048
Illinois Metropolitan Investment Fund (IMET), 1-3 year debt fund	4,711,455	-	4,711,455
Illinois Metropolitan Investment Fund (IMET) convenience fund	2,845,772	-	2,845,772
Money market	15,482	542,197	557,679
Repurchase agreement, Natixis	1,169,686	-	1,169,686
U.S. Treasury obligations	3,350,049	-	3,350,049
U.S. agencies, implicitly guaranteed	1,368,481	-	1,368,481
Municipal bonds	811,476	-	811,476
Negotiable certificates of deposits	2,647,400	-	2,647,400
Equities	-	6,535	6,535
Illinois Police Officers' Pension Investment Fund	-	24,980,303	24,980,303
Illinois Public Reserves Investment Management Trust (IPRIME) Investment Shares Series	799,860	-	799,860
Petty cash	9,501	-	9,501
Total deposits and investments	$ 23,923,979	$ 25,555,266	$ 49,479,245

	Village	Police Pension Fund	Total
Reconciliation to financial statements			
Per statement of net position:			
Cash and cash equivalents	$ 6,204,318	$ -	$ 6,204,318
Investments	17,719,661	-	17,719,661
Per statement of net position, fiduciary funds:			
Cash and cash equivalents	-	26,231	26,231
Money markets	-	542,197	542,197
Equities	-	6,535	6,535
Illinois Police Officers' Pension Investment Fund	-	24,980,303	24,980,303
Total deposits and investments	$ 23,923,979	$ 25,555,266	$ 49,479,245

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.

	December 31, 2022			
Investment Type	**Level 1**	**Level 2**	**Level 3**	**Total**
Illinois Metropolitan Investment Fund (IMET), 1-3 year debt fund	$ -	$ -	$ 4,711,455	$ 4,711,455
Illinois Metropolitan Investment Fund (IMET) convenience fund	-	2,845,772	-	2,845,772
Repurchase agreement, Natixis	-	1,169,686	-	1,169,686
U.S. Treasury obligations	3,350,049	-	-	3,350,049
U.S. agencies, implicitly guaranteed	-	1,368,481	-	1,368,481
Municipal bonds	-	811,476	-	811,476
Negotiable certificates of deposits	-	2,647,400	-	2,647,400
Equities	6,535	-	-	6,535
Illinois Public Reserves Investment Management Trust (IPRIME) Investment Shares Series	-	799,860	-	799,860
Total	$ 3,356,584	$ 9,642,675	$ 4,711,455	$ 17,710,714

The investment in the Illinois Police Officers' Pension Investment Fund is measured at the net asset value.

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.

As of December 31, 2022, $762,536 of the Village's total bank balances were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	$ 762,536
Total	$ 762,536

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, 2022, the Village's investments were rated as follows:

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+ - NR	Aaa - NR
Municipal bonds	AAA - NR	Aaa - NR
Negotiable certificates of deposit	NR	NR
Illinois Police Officers' Pension Investment Fund	NR	NR
Illinois Public Reserves Investment Management Trust (IPRIME) Investment Shares Series	AAAm	NR

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, 2022, the Village's investment portfolio was concentrated as follows:

Issuer	Investment Type	Percentage of Portfolio
Natixis Investment	Repurchase agreement	6.60 %

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, 2022, the Village's investments were as follows:

Village

		Maturity (In Years)		
Investment Type	Fair Value	Less than 1	1-5	6-10
Illinois Metropolitan Investment Fund (IMET), 1-3 year debt fund	$ 4,711,455	$ -	$ 4,711,455	$ -
Repurchase agreement, Natixis	1,169,726	-	1,169,726	-
U.S. Treasury obligations	3,350,049	3,015,916	334,133	-
U.S. agencies, implicitly guaranteed	1,368,482	453,645	914,837	-
Municipal bonds	811,480	507,432	304,048	-
Negotiable certificates of deposits	2,647,400	933,738	1,713,662	-
Total	$ 14,058,592	$ 4,910,731	$ 9,147,861	$ -

Money-Weighted Rate of Return

Police Pension Fund

For the year ended December 31, 2022, the annual money-weighted rate of return on the Police Pension plan investments, net of pension plan investment expense, was (16.25)%. 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	$ 118,171
Sales	545,158
Home rule sales	492,041
Food & beverage	78,069
Utility	106,083
Telecommunications	212,769
Room & admissions	117,925
State use	95,011
Cable	43,611
Cannabis	1,009
Total	$ 1,809,847

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, 2022, was as follows:

	Beginning Balance	Adjustments*	Additions	Deletions	Ending Balance
Governmental Activities					
Capital assets not being depreciated/amortized:					
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	696,777	(536,024)	69,868	165,234	65,387
Total capital assets not being depreciated/amortized	44,479,047	(536,024)	69,868	165,234	43,847,657
Capital assets being depreciated/amortized:					
Land improvements	7,959,235	-	126,360	-	8,085,595
Buildings and improvements	9,541,800	-	-	55,682	9,486,118
Infrastructure	46,980,381	(18,693,695)	-	-	28,286,686
Machinery and equipment	4,554,838	-	267,549	47,182	4,775,205
Total capital assets being depreciated/amortized	69,036,254	(18,693,695)	393,909	102,864	50,633,604
Total capital assets	113,515,301	(19,229,719)	463,777	268,098	94,481,261
Less accumulated depreciation/ amortization for:					
Land improvements	(5,983,053)	-	(152,876)	-	(6,135,929)
Buildings and improvements	(5,401,894)	-	(215,560)	55,682	(5,561,772)
Infrastructure	(31,084,373)	12,254,618	(525,179)	-	(19,354,934)
Machinery and equipment	(2,775,657)	-	(336,102)	47,182	(3,064,577)
Total accumulated depreciation/ amortization	(45,244,977)	12,254,618	(1,229,717)	102,864	(34,117,212)
Net capital assets being depreciated/amortized	23,791,277	(6,439,077)	(835,808)	-	16,516,392
Total governmental activities capital assets, net of accumulated depreciation/ amortization	$ 68,270,324	$ (6,975,101)	$ (765,940)	$ 165,234	$ 60,364,049

* Adjustments relate to the transfer of capital assets to the storm sewer fund.

Depreciation/amortization expense was charged to functions as follows:

Governmental Activities	
General government	$ 566,141
Public safety	98,305
Public works	229,585
Parks and open spaces	335,686
Total governmental activities depreciation/amortization expense	$ 1,229,717

	Beginning Balance	Adjustments*	Additions	Deletions	Ending Balance
Business-Type Activities					
Capital assets not being depreciated:					
Land	$ 106,833	$ -	$ -	$ -	$ 106,833
Construction in progress	3,215,594	536,024	272,580	3,215,594	808,604
Total capital assets not being depreciated	3,322,427	536,024	272,580	3,215,594	915,437
Capital assets being depreciated:					
Buildings	2,102,570	-	-	-	2,102,570
Underground water and sewerage system	87,642,153	-	5,227,975	-	92,870,128
Furniture, machinery and equipment	1,501,212	-	10,847	-	1,512,059
Storm sewer system	-	18,693,695	452,599	-	19,146,294
Total capital assets being depreciated	91,245,935	18,693,695	5,691,421	-	115,631,051
Total capital assets	94,568,362	19,229,719	5,964,001	3,215,594	116,546,488
Less accumulated depreciation for:					
Buildings	(1,305,230)	-	(55,011)	-	(1,360,241)
Underground water and sewerage system	(58,255,881)	-	(1,504,996)	-	(59,760,877)
Furniture, machinery and equipment	(746,440)	-	(122,320)	-	(868,760)
Storm sewer system	-	(12,254,618)	(316,880)	-	(12,571,498)
Total accumulated depreciation	(60,307,551)	(12,254,618)	(1,999,207)	-	(74,561,376)
Net capital assets being depreciated	30,938,384	6,439,077	3,692,214	-	41,069,675
Business-type capital assets, net of accumulated depreciation	$ 34,260,811	$ 6,975,101	$ 3,964,794	$ 3,215,594	$ 41,985,112

* Adjustments relate to the transfer of capital assets from the governmental activities.

Interfund Transfers

The following is a schedule of interfund transfers:

Fund Transferred To	Fund Transferred From	Amount	Principal Purpose
General Capital Projects	General Corporate	$ 1,660,000	To fund future capital improvement projects.
Water and Sanitary Sewer	General Corporate	1,100,000	To move general operating fund reserves to the water and sanitary sewer improvement fund to maintain 20% fund balance and pay for capital expenses.
Storm Sewer	General Corporate	440,000	To move general operating fund reserves to the storm sewer fund to pay for expenses.
General Capital Projects	Storm Sewer	220,672	To reimburse the general capital projects fund for prior year engineering expenses.
General Capital Projects	Nonmajor Governmental Funds	456,822	To offset the cost of various park and road projects paid out of the capital projects fund.
Total, fund financial statements		3,877,494	
Less government-wide eliminations		(2,558,166)	
Book value of capital assets transferred from governmental activities to the storm sewer fund		6,975,101	To allocate the storm sewer assets to the new storm sewer fund
Total transfers, government-wide statement of activities		$ 8,294,429	

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, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds payable:					
Special assessment area bonds	$ 10,140,000	$ -	$ 530,000	$ 9,610,000	$ 560,000
Total bonds payable	10,140,000	-	530,000	9,610,000	560,000
Other liabilities:					
Compensated absences*	275,121	156,734	68,781	363,074	363,074
Compensated absences, internal service	4,056	620	1,014	3,662	3,662
Total OPEB liability	2,321,555	106,011	748,744	1,678,822	-
Total OPEB liability, internal service	81,382	3,716	23,953	61,145	-
Net pension liability, police pension	2,020,746	5,111,226	-	7,131,972	-
Net pension liability, IMRF	825,207	1,467,339	2,292,546	-	-
Net pension liability, IMRF, internal service	62,681	111,456	174,137	-	-
Total other liabilities	5,590,748	6,957,102	3,309,175	9,238,675	366,736
Total governmental activities long-term liabilities	$ 15,730,748	$ 6,957,102	$ 3,839,175	$ 18,848,675	$ 926,736
Business-Type Activities					
Bonds payable:					
General obligation bonds	$ -	$ 4,065,000	$ -	$ 4,065,000	$ 750,000
Total bonds payable	-	4,065,000	-	4,065,000	750,000
Other liabilities:					
Compensated absences	54,642	27,028	13,661	68,009	68,009
Total OPEB Liability	309,785	14,146	75,769	248,162	-
Net pension liability, IMRF	233,789	415,711	649,500	-	-
Total other liabilities	598,216	456,885	738,930	316,171	68,009
Total business-type activities long-term liabilities	$ 598,216	$ 4,521,885	$ 738,930	$ 4,381,171	$ 818,009

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.

General Obligation Debt

All general obligation debt payable is backed by the full faith and credit of the Village.

Business-Type Activities General Obligation Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2022
General Obligation Bonds, Series 2022 due in annual installments ranging from $75,000 to $750,000	5/31/2022	12/1/2050	3.75%	$ 4,065,000	$ 4,065,000
Total business-type activities, general obligation debt					$ 4,065,000

On May 31, 2022 the Village issued general obligation bonds in the amount of $4,065,000 with an interest rate of 3.75% This amount will be used finance the costs of certain storm sewer capital projects in the Village.

Debt service requirements to maturity are as follows:

	Business-Type Activities General Obligation Bonds	
Years	Principal	Interest
2023	$ 750,000	$ 152,438
2024	75,000	124,312
2025	75,000	121,500
2026	75,000	118,688
2027	75,000	115,875
2028-2032	375,000	537,187
2033-2037	375,000	466,875
2038-2042	375,000	396,563
2043-2047	375,000	326,250
2048-2050	1,515,000	115,125
Total	$ 4,065,000	$ 2,474,813

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

The net pension liability - Police Pension and total OPEB liability are retired by the General Corporate as well as the Water and Sanitary Sewer and Storm Sewer Funds.

Special Service Area Bonds

Special service area bonds at December 31, 2022, consists of the following:

Governmental Activities Special Service Area Bonds	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2022
Special Service Area Number 1 Special Tax Bonds, Series 2004 due in annual installments ranging from $235,000 to $1,095,000	11/16/2004	3/1/2034	6.25%	$ 15,000,000	$ 9,610,000
Total governmental activities special service area bonds					$ 9,610,000

Debt service requirements to maturity are as follows:

Years	Governmental Activities Special Service Area Bonds Principal	Interest
2023	$ 560,000	$ 583,125
2024	595,000	547,031
2025	635,000	508,594
2026	675,000	467,656
2027	715,000	424,219
2028-2032	4,305,000	1,369,531
2033-2034	2,125,000	134,844
Total	$ 9,610,000	$ 4,035,000

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, 2022, the Village recognized the following balances in the government-wide financial statements:

	Total Pension Liability	Net Pension Liability/(Asset)	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
IMRF	$ 24,889,842	$ (1,254,877)	$ 469,378	$ 3,218,236	$ (876,638)
Police Pension Plan	32,691,502	7,131,972	4,328,092	1,610,697	1,310,814
Total	$ 57,581,344	$ 5,877,095	$ 4,797,470	$ 4,828,933	$ 434,176

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% 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% 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% of their final rate of earnings for the first 15 years of service credit, plus 2% for each year of service after 15 years to a maximum of 75% 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% 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, 2021, the measurement date, membership in the plan was as follows:

Retirees and beneficiaries	53
Inactive, nonretired members	38
Active members	35
Total	126

Contributions

As set by statute, Village employees participating in IMRF are required to contribute 4.50% 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 2021 was 14.59% 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, 2021 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, 2021 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%
Salary increases	2.85% to 13.75%, including inflation
Price inflation	2.25%

Mortality

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

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	39.00 %	3.25 %	1.90 %
International equities	15.00	4.89	3.15
Fixed income	25.00	(0.50)	(0.60)
Real estate	10.00	4.20	3.30
Alternatives	10.00		
Private equity		8.85	5.50
Hedge funds		-	-
Commodities		2.90	1.70
Cash equivalents	1.00	(0.90)	(0.90)

Discount Rate

The discount rate from the December 31, 2021 measurement date used to measure the total pension liability for IMRF as of December 31, 2022 was 7.25%. The discount rate calculated using the December 31, 2020 measurement date was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that 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% 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%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total pension liability	$ 27,841,587	$ 24,889,842	$ 22,616,323
Plan fiduciary net pension	26,144,719	26,144,719	26,144,719
Net pension liability/(asset)	$ 1,696,868	$ (1,254,877)	$ (3,528,396)

Changes in Net Pension Liability/(Asset)

The changes in net pension liability/(asset) for the calendar year ended December 31, 2021 were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balances at December 31, 2020	$ 23,922,795	$ 22,801,118	$ 1,121,677
Service cost	290,510	-	290,510
Interest on total pension liability	1,703,996	-	1,703,996
Differences between expected and actual experience of the total pension liability	101,849	-	101,849
Benefit payments, including refunds of employee contributions	(1,129,308)	(1,129,308)	-
Contributions, employer	-	451,386	(451,386)
Contributions, employee	-	169,124	(169,124)
Net investment income	-	3,880,008	(3,880,008)
Other (net transfer)	-	(27,609)	27,609
Balances at December 31, 2021	$ 24,889,842	$ 26,144,719	$ (1,254,877)

Plan fiduciary net position as a percentage of the total pension liability 105.04 %

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

For the year ended December 31, 2022, the Village recognized pension expense of $(876,638). 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	$ 73,265	$ 119,149
Assumption changes	-	63,998
Net difference between projected and actual earnings on pension plan investments	-	3,035,089
Contributions subsequent to the measurement date	396,113	-
Total	$ 469,378	$ 3,218,236

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, 2023. The remaining amounts reported as deferred outflows and inflows of resources related to pensions ($(3,144,971)) will be recognized in pension expense as follows:

Year Ending December 31,	Village
2023	$ (791,994)
2024	(1,181,466)
2025	(722,235)
2026	(449,276)
Total	$ (3,144,971)

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 $130,166 for 2022, 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 7% 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, 2022, the Police Pension membership consisted of:

Retirees and beneficiaries	20
Inactive, nonretired members	5
Active members	23
Total	48

Contributions

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the 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% funded by the year 2040. It is the Village's policy to fund the pension plan to achieve 100% funding by the same date. The Village's actuarially determined contribution rate for the fiscal year ending December 31, 2022 was 42.15% of annual covered payroll.

Net Pension Liability/(Asset)

The net pension liability/(asset) was measured as of December 31, 2022 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, 2022 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value
Actuarial assumptions	
Interest rate	6.80%
Inflation	2.50%
Projected salary increases	Age based
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-2021 and a base year of 2010.

Discount Rate

The discount rate used to measure the total pension liability for the Police Pension Plan was 6.80%. The discount rate calculated using the December 31, 2021 measurement date was 6.50%. 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 6.80% 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 (5.80%) or 1-percentage-point higher (7.80%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total pension liability	$ 37,381,063	$ 32,691,502	$ 28,874,734
Plan fiduciary net position	25,559,530	25,559,530	25,559,530
Net pension liability/(asset)	$ 11,821,533	$ 7,131,972	$ 3,315,204

Changes in Net Pension Liability/(Asset)

The Village's changes in net pension liability/(asset) for the calendar year ended December 31, 2022 was as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/Asset (a) - (b)
Balances at December 31, 2021	$ 32,472,154	$ 30,451,408	$ 2,020,746
Service cost	578,822	-	578,822
Interest on total pension liability	2,097,797	-	2,097,797
Differences between expected and actual experience of the total pension liability	476,621	-	476,621
Change of assumptions	(1,379,530)	-	(1,379,530)
Benefit payments, including refunds of employee contributions	(1,554,362)	(1,554,362)	-
Contributions, employer	-	1,002,258	(1,002,258)
Contributions, employee	-	242,932	(242,932)
Net investment income	-	(4,542,079)	4,542,079
Administration	-	(40,627)	40,627
Balances at December 31, 2022	$ 32,691,502	$ 25,559,530	$ 7,131,972
Plan fiduciary net position as a percentage of the total pension liability			78.18 %

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

For the year ended December 31, 2022, the Village recognized a pension expense of $1,310,814. 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	$ 609,202	$ 428,241
Assumption changes	295,599	1,182,456
Net difference between projected and actual earnings on pension plan investments	3,423,291	-
Total	$ 4,328,092	$ 1,610,697

The amounts reported as deferred outflows and inflows of resources related to pensions ($2,717,395) will be recognized in pension expense as follows:

Year Ending December 31,	Amount
2023	$ 175,399
2024	637,030
2025	1,032,475
2026	1,130,465
2027	(128,987)
Thereafter	(128,987)
Total	$ 2,717,395

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, 2022, $108,557 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, 2022, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	8
Active plan members	57
Total	65

Total OPEB Liability

The Village's total OPEB liability of $1,988,129 was measured as of December 31, 2022 and was determined by an actuarial valuation as of January 1, 2023.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the January 1, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary increases	3.00%
Healthcare cost trend rates, PPO	7.40%
Healthcare cost trend rates, HDHP	7.70%
Retirees' share of benefit-related costs	100%

The discount rate was based on Bond Buyer 20-Bond G.O. Index as of December 31, 2022.

Active, Retiree and Spousal IMRF mortality rates follows PubG-2010(B) Improved Generationally using MP-2020 Improvement Rates, weighted per IMRF Experience Study dated December 14, 2020. 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, 2022 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, 2021	$ 2,712,722
Changes for the year:	
Service cost	69,111
Interest	54,762
Differences between expected and actual experience	(421,678)
Changes in assumptions or other inputs	(318,010)
Benefit payments	(108,778)
Net changes	(724,593)
Balances at December 31, 2022	$ 1,988,129

Changes of assumptions and other inputs reflect a change in the discount rate from 2.06% in 2021 to 3.72% in 2022.

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 (2.72%) or 1-percentage-point higher (4.72%) than the current discount rate:

	1% Decrease	Discount Rate	1% Increase
Total OPEB liability	$ 2,205,565	$ 1,988,129	$ 1,800,924

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 (6.4% - PPO and 6.7% - HDHP decreasing to 4.05) or 1-percentage-point higher (8.4% - PPO and 8.7% - HDHP percent decreasing to 6.0%) than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	$ 1,750,034	$ 1,988,129	$ 2,281,202

OPEB Expense Related to OPEB

For the year ended December 31, 2022, the Village recognized negative OPEB expense of $(615,815).

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, extended through 2026. The Village is required to rebate 50% of any home-rule sales tax revenue generated; provided annual sales exceed $100,000. At December 31, 2022, the Village had no estimated rebate liability. To date, the Village has rebated approximately $1,308,813 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% 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, 2022, the Village has incurred an estimated rebated liability of $10,351. To date, the Village has rebated approximately $169,812 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. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*
- Statement No. 96, *Subscription-Based Information Technology Arrangements*
- Statement No. 99, *Omnibus 2022*
- Statement No. 100, *Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*
- Statement No. 101, *Compensated Absences*

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, 2022

	Original and Final Appropriation	Original and Final Budget	Actual
Revenues			
Property taxes	$ -	$ 1,713,080	$ 1,651,465
Other taxes	-	8,973,000	11,451,677
Licenses, permits and fees	-	679,870	763,836
Fines and forfeitures	-	239,000	213,383
Intergovernmental	-	986,000	1,032,777
Investment income (loss)	-	140,000	(283,867)
Miscellaneous	-	92,800	78,937
Total revenues	-	12,823,750	14,908,208
Expenditures			
General government	2,751,600	2,501,250	2,329,015
Public safety	5,573,400	5,066,700	4,863,516
Community and economic development	1,231,450	1,119,460	1,082,529
Public works	1,696,350	1,542,020	1,482,159
Parks and open spaces	1,507,100	1,359,900	1,346,075
Total expenditures	12,759,900	11,589,330	11,103,294
Excess (deficiency) of revenues over expenditures	(12,759,900)	1,234,420	3,804,914
Other Financing Sources (Uses)			
Transfers out	(1,199,000)	(1,090,000)	(3,200,000)
Total other financing sources (uses)	(1,199,000)	(1,090,000)	(3,200,000)
Net change in fund balance	$ (13,958,900)	$ 144,420	604,914
Fund Balance, Beginning			7,385,404
Fund Balance, Ending			$ 7,990,318

See notes to required supplementary information

Village of Lincolnshire

Illinois Municipal Retirement Fund
Schedule of Changes in the Employer's Net Pension Liability/(Asset) and Related Ratios
Last Eight 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/(Asset) 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	2020	2021
$ 300,876	$ 280,625	$ 295,495	$ 308,834	$ 290,510
1,516,508	1,561,154	1,638,470	1,660,106	1,703,996
301,444	331,724	(546,879)	(104,701)	101,849
(596,880)	650,699	-	(145,048)	-
(848,869)	(984,235)	(1,110,645)	(1,079,992)	(1,129,308)
673,079	1,839,967	276,441	639,199	967,047
20,494,109	21,167,188	23,007,155	23,283,596	23,922,795
$ 21,167,188	$ 23,007,155	$ 23,283,596	$ 23,922,795	$ 24,889,842
$ 388,559	$ 422,412	$ 406,130	$ 491,825	$ 451,386
123,482	128,784	135,477	140,344	169,124
2,921,375	(1,013,933)	3,441,700	2,914,641	3,880,008
(848,869)	(984,235)	(1,110,645)	(1,079,992)	(1,129,308)
(257,087)	418,615	(470,225)	(313,858)	(27,609)
2,327,460	(1,028,357)	2,402,437	2,152,960	3,343,601
16,946,618	19,274,078	18,245,721	20,648,158	22,801,118
$ 19,274,078	$ 18,245,721	$ 20,648,158	$ 22,801,118	$ 26,144,719
$ 1,893,110	$ 4,761,434	$ 2,635,438	$ 1,121,677	$ (1,254,877)
91.06%	79.30%	88.68%	95.31%	105.04%
$ 2,744,060	$ 2,861,874	$ 3,010,607	$ 3,118,739	$ 3,093,802
68.99%	166.37%	87.54%	35.97%	-40.56%

See notes to required supplementary information

Illinois Municipal Retirement Fund
Schedule of Employer Contributions
Last Eight 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	21 years
Asset valuation method	5-Year Smoothed Market, 20% corridor
Wage growth	2.75%
Inflation	2.25%
Salary increases	2.85% to 13.75%, including inflation
Investment rate of return	7.25%
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	2021	2022
$ 422,413	$ 406,131	$ 491,825	$ 451,386	$ 396,113
(422,412)	(406,130)	(491,825)	(451,386)	(396,113)
$ 1	$ 1	$ -	$ -	$ -
$ 2,861,874	$ 3,010,607	$ 3,118,738	$ 3,093,801	$ 3,082,590
14.76%	13.49%	15.77%	14.59%	12.85%

See notes to required supplementary information

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

	2014	2015	2016	2017
Total Pension Liability				
Service cost	$ 543,025	$ 535,944	$ 568,266	$ 575,596
Interest	1,466,549	1,561,977	1,607,524	1,694,486
Differences between expected and actual experience	434,345	(459,019)	359,920	249,838
Changes of assumptions	-	-	-	-
Changes of benefit terms	-	-	-	-
Benefit payments, including refunds of member contributions	(977,078)	(960,345)	(980,658)	(1,429,667)
Net change in total pension liability	1,466,841	678,557	1,555,052	1,090,253
Total pension liability, beginning	22,507,801	23,974,642	24,653,199	26,208,251
Total pension liability, ending (a)	$ 23,974,642	$ 24,653,199	$ 26,208,251	$ 27,298,504
Plan Fiduciary Net Position				
Employer contributions	$ 589,303	$ 618,665	$ 833,131	$ 803,700
Employee contributions	232,179	208,270	210,892	215,212
Contributions, other	10	15	23	149
Net investment income	469,087	(270,351)	1,306,857	2,772,144
Benefit payments, including refunds of member contributions	(977,078)	(960,345)	(980,658)	(1,429,667)
Administration	(22,328)	(28,855)	(27,865)	(32,955)
Net change in plan fiduciary net position	291,173	(432,601)	1,342,380	2,328,583
Plan fiduciary net position, beginning	19,161,108	19,452,281	19,019,680	20,362,060
Plan fiduciary net position, ending (b)	$ 19,452,281	$ 19,019,680	$ 20,362,060	$ 22,690,643
Employer's Net Pension Liability, Ending (a) - (b)	$ 4,522,361	$ 5,633,519	$ 5,846,191	$ 4,607,861
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.14%	77.15%	77.69%	83.12%
Covered Payroll	$ 2,082,705	$ 2,101,615	$ 2,150,195	$ 2,028,220
Employer's Net Pension Liability as a Percentage of Covered Payroll	217.14%	268.06%	271.89%	227.19%

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

2018	2019	2020	2021	2022
$ 516,599	$ 592,873	$ 630,814	$ 627,487	$ 578,822
1,767,419	1,847,798	1,954,038	2,054,283	2,097,797
196,223	(210,106)	293,935	(507,293)	476,621
-	689,733	-	-	(1,379,530)
-	66,512	-	-	-
(1,248,114)	(1,426,737)	(1,313,425)	(1,358,389)	(1,554,362)
1,232,127	1,560,073	1,565,362	816,088	219,348
27,298,504	28,530,631	30,090,704	31,656,066	32,472,154
$ 28,530,631	$ 30,090,704	$ 31,656,066	$ 32,472,154	$ 32,691,502
$ 850,296	$ 852,925	$ 910,154	$ 1,113,260	$ 1,002,258
205,423	234,115	260,748	243,339	242,932
-	-	-	-	-
(1,469,581)	3,824,259	3,560,995	2,641,770	(4,542,079)
(1,248,114)	(1,426,737)	(1,313,425)	(1,358,389)	(1,554,362)
(32,563)	(29,441)	(28,709)	(29,560)	(40,627)
(1,694,539)	3,455,121	3,389,763	2,610,420	(4,891,878)
22,690,643	20,996,104	24,451,225	27,840,988	30,451,408
$ 20,996,104	$ 24,451,225	$ 27,840,988	$ 30,451,408	$ 25,559,530
$ 7,534,527	$ 5,639,479	$ 3,815,078	$ 2,020,746	$ 7,131,972
73.59%	81.26%	87.95%	93.78%	78.18%
$ 2,324,325	$ 2,390,785	$ 2,478,772	$ 2,455,489	$ 2,451,382
324.16%	235.88%	153.91%	82.30%	290.94%

See notes to required supplementary information

Police Pension Fund
Schedule of Employer Contributions
Last Ten Fiscal Years

	2013	2014	2015	2016
Actuarially determined contribution	$ 545,957	$ 527,434	$ 623,208	$ 783,607
Contributions in relation to the actuarially determined contribution	545,957	527,434	618,665	783,607
Contribution deficiency (excess)	$ -	$ -	$ 4,543	$ -
Additional voluntary contributions	$ 513,790	$ 61,869	$ -	$ 49,524
Covered payroll	$ 2,058,866	$ 2,082,705	$ 2,101,615	$ 2,150,195
Contributions as a percentage of covered-employee payroll	26.52%	25.32%	29.44%	36.44%

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	18 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	6.80%
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.

2017	2018	2019	2020	2021	2022
$ 803,666	$ 849,742	$ 832,137	$ 1,030,790	$ 1,068,536	$ 1,033,370
803,666	849,742	832,137	910,154	1,113,260	1,002,258
$ -	$ -	$ -	$ 120,636	$ (44,724)	$ 31,112
$ 34	$ 554	$ 20,788	$ -	$ -	$ -
$ 2,028,220	$ 2,324,325	$ 2,390,785	$ 2,478,772	$ 2,455,489	$ 2,451,382
39.62%	36.58%	35.68%	36.72%	45.34%	40.89%

See notes to required supplementary information

Police Pension Fund
Schedule of Investment Returns
Last Nine 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	2021	2022
(6.46%)	18.40%	14.70%	9.50%	(16.25%)

See notes to required supplementary information

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

2021	2022
$ 63,943	$ 69,111
58,915	54,762
-	(421,678)
(129,663)	(318,010)
(118,897)	(108,778)
(125,702)	(724,593)
2,838,424	2,712,722
$ 2,712,722	$ 1,988,129
0.00%	0.00%
$ 5,864,017	$ 5,892,981
46.26%	33.74%

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

	Original and Final Budget	Actual
Property Taxes		
Police pension fund	$ 1,033,370	$ 1,002,258
Police protection	130,000	105,920
IMRF	289,710	280,972
FICA	210,000	203,664
Road and bridge	50,000	58,651
Total property taxes	1,713,080	1,651,465
Other Taxes		
State income	925,000	1,303,788
Sales	1,510,000	2,022,181
Home rule sales	1,350,500	1,801,569
Utility	1,220,000	1,257,611
Telecommunication	975,000	910,389
Room and admissions	1,360,000	1,689,459
Real estate transfer	325,000	1,005,721
Food and beverage	592,500	684,543
Cannabis	14,000	12,872
E911 surcharges	384,000	437,217
Miscellaneous tax	2,000	4,533
State use	315,000	321,794
Total other taxes	8,973,000	11,451,677
Licenses and Permits		
Liquor licenses	67,000	69,750
Park user fees	20,000	28,238
Amusement devices	1,300	1,150
Application fees	1,500	855
Engineering fees	14,500	20,416
Planner fees	17,000	10,079
Plan review fees	80,000	75,600
Building permit fees	200,000	261,710
Fire review and inspection fees	70,000	67,283
Elevator inspection fees	20,500	20,260
Engineering review and inspection fees	8,000	14,585
Miscellaneous licenses and fees	8,300	8,245
Cable TV franchise fees	161,400	174,297
Yardwaste refuse stickers	9,370	8,868
Waste hauler fees	1,000	2,500
Total licenses and permits	679,870	763,836

Village of Lincolnshire

Detailed Schedule of Revenues, Budget and Actual
General Corporate Fund
Year Ended December 31, 2022

	Original and Final Budget	Actual
Fines and Forfeitures		
Court fines	$ 215,000	$ 184,605
False alarm fines and fees	4,000	3,278
Other law and ordinance violations	20,000	25,500
Total fines and forfeitures	239,000	213,383
Intergovernmental		
Police grant	20,000	13,065
Police training reimbursement	-	12,548
Miscellaneous revenues	430,000	469,106
Miscellaneous grants	536,000	538,058
Total intergovernmental	986,000	1,032,777
Investment Income (Loss)	140,000	(283,867)
Miscellaneous		
Miscellaneous income	92,800	78,937
Total miscellaneous	92,800	78,937
Total revenues	$ 12,823,750	$ 14,908,208

Detailed Schedule of Expenditures, Budget and Actual
General Corporate Fund
Year Ended December 31, 2022

	Original And Final Appropriation	Original and Final Budget	Actual
General Government			
Administration services:			
Personnel services:			
Regular salaries	$ 471,800	$ 395,000	$ 410,980
IMRF	56,100	51,000	47,534
FICA	33,550	30,500	25,732
Total personnel services	561,450	476,500	484,246
Contractual services:			
Equipment maintenance	-	200	-
Professional services	-	3,000	-
Total contractual services	-	3,200	-
Other charges:			
Memberships	-	14,380	11,666
Vehicle allowance	-	4,800	4,800
Professional development	-	4,500	5,965
Publications	-	590	1,005
Classified advertisements	-	1,030	-
Boards and commissions	-	700	429
Business expenditures	-	4,630	4,389
Total other charges	-	30,630	28,254
Total administrative services	561,450	510,330	512,500
Finance:			
Personnel services:			
Regular salaries	306,800	225,000	227,370
Part time wages	-	15,500	15,766
IMRF	33,000	30,000	27,728
FICA	20,350	18,500	18,840
Total personnel services	360,150	289,000	289,704

	Original And Final Appropriation	Original and Final Budget	Actual
General Government (continued)			
Finance (continued):			
Contractual services:			
Printing	$ -	$ 1,050	$ 710
Equipment maintenance	-	230	192
Professional services	-	32,000	24,242
Legal notices	-	1,070	979
Total contractual services	-	34,350	26,123
Other charges:			
Memberships	-	720	530
Professional development	-	2,700	2,835
Minor equipment	-	250	-
Business expenditures	-	370	628
Total other charges	-	4,040	3,993
Total finance	360,150	327,390	319,820
Insurance and common:			
Contractual services:			
Telephone	1,830,000	20,120	16,849
Printing	-	18,370	20,238
Equipment maintenance	-	420	525
Professional services	-	109,670	59,125
Data systems	-	69,290	68,539
Postage	-	9,850	8,827
Duplicating	-	5,650	7,857
Medical insurance	-	926,000	819,562
General insurance	-	241,050	217,141
Outside services	-	232,910	248,256
Total contractual services	1,830,000	1,633,330	1,466,919
Commodities:			
Office supplies	-	7,500	6,009
Total commodities	-	7,500	6,009

	Original And Final Appropriation	Original and Final Budget	Actual
General Government (continued)			
Insurance and common (continued):			
Other charges:			
Senior citizen tax relief	$ -	$ 1,500	$ 808
Drone licensing	-	1,200	999
Bad debt provision	-	-	129
Total other charges	-	2,700	1,936
Capital outlay:			
Computer equipment	-	20,000	21,831
Total capital outlay	-	20,000	21,831
Total insurance and common	1,830,000	1,663,530	1,496,695
Total general government	2,751,600	2,501,250	2,329,015
Public Safety			
Police:			
Personnel services:			
Regular salaries	3,080,000	2,800,000	2,669,349
Overtime salaries	-	185,000	238,882
Overtime contract services	-	30,000	42,286
Retirement reserves	2,406,500	1,033,370	1,002,258
Other benefits	-	1,500	6,750
IMRF	25,850	23,500	19,806
FICA	61,050	55,500	53,522
Total personnel services	5,573,400	4,128,870	4,032,853
Contractual services:			
Printing	-	5,200	4,181
Equipment maintenance	-	8,550	5,811
Professional services	-	87,000	85,513
Outside services	-	170,450	19,797
Dispatch services	-	200,550	200,547
Data systems	-	67,870	73,527
Total contractual services	-	539,620	389,376
Commodities:			
Maintenance materials	-	33,160	42,306
Total commodities	-	33,160	42,306

	Original And Final Appropriation	Original and Final Budget	Actual
Public Safety (continued)			
Police (continued):			
Other charges:			
Memberships	$ -	$ 6,250	$ 6,472
Vehicle allowance	-	194,220	194,017
Professional development	-	48,700	67,808
Publications	-	600	534
Uniforms	-	62,770	32,463
Community programs	-	8,500	3,792
Officer testing	-	7,000	9,024
Equipment - furniture	-	1,000	379
Minor equipment	-	31,010	78,094
Business expenditures	-	5,000	6,398
Total other charges	-	365,050	398,981
Total public safety	5,573,400	5,066,700	4,863,516
Community and Economic Development			
Administration:			
Personnel services:			
Regular salaries	1,145,100	340,000	315,176
Part time wages	-	39,250	39,822
IMRF	53,900	49,000	47,534
FICA	32,450	29,500	26,428
Total personnel services	1,231,450	457,750	428,960
Contractual services:			
Vehicle allowance	-	5,520	5,520
Professional services	-	85,800	176,553
Legal notices	-	450	2,484
Outside services	-	200,500	67,014
Total contractual services	-	292,270	251,571

	Original And Final Appropriation	Original and Final Budget	Actual
Community and Economic Development (continued)			
Other charges:			
Professional development	$ -	$ 4,290	$ 4,770
Publications	-	-	98
Business expenditures	-	34,950	34,777
Economic development initiatives	-	5,000	787
Economic development incentives	-	325,000	361,305
Equipment and clothing	-	200	261
Total other charges	-	369,440	401,998
Total community and economic development	1,231,450	1,119,460	1,082,529
Public Works			
Administration:			
Personnel services:			
Regular salaries	262,300	198,000	193,759
Overtime salaries	-	500	-
IMRF	27,800	25,250	23,767
FICA	17,050	15,500	14,079
Total personnel services	307,150	239,250	231,605
Contractual services:			
Professional services	-	21,000	13,680
Legal notices	-	1,000	802
Outside services	-	4,800	4,800
Total contractual services	-	26,800	19,282
Other charges:			
Memberships	-	5,000	5,049
Vehicle allowance	-	1,120	1,125
Professional development	-	5,000	5,343
Business expenditures	-	1,000	755
Total other charges	-	12,120	12,272
Capital outlay:			
Office charges	-	1,000	820
Total capital outlay	-	1,000	820
Total administration	307,150	279,170	263,979

	Original And Final Appropriation	Original and Final Budget	Actual
Public Works (Continued)			
Streets:			
Personnel services:			
Regular salaries	$ 1,115,700	$ 405,000	$ 378,440
Overtime salaries	-	50,000	47,250
IMRF	62,700	57,000	55,456
FICA	38,500	35,000	28,973
Total personnel services	1,216,900	547,000	510,119
Contractual services:			
Equipment maintenance	-	500	-
Electric utilities	-	14,000	12,829
Pavement maintenance	-	58,000	53,275
Outside services	-	193,980	195,140
Total contractual services	-	266,480	261,244
Commodities:			
Maintenance materials	-	20,760	18,124
Repair and replacement	-	9,500	7,044
Construction materials	-	4,900	2,834
Snow and ice control	-	72,500	65,541
Total commodities	-	107,660	93,543
Other charges:			
Vehicle allowance	-	166,740	166,746
Professional development	-	3,950	3,726
Uniforms	-	5,500	5,500
Minor equipment	-	5,000	6,088
Recycling	-	3,400	4,267
Business expenditures	-	500	489
Total other charges	-	185,090	186,816
Total streets	1,216,900	1,106,230	1,051,722

	Original And Final Appropriation	Original and Final Budget	Actual
Public Works (Continued)			
Building and grounds:			
Contractual services:			
Equipment maintenance	$ 172,300	$ -	$ 492
Outside services	-	127,100	138,202
Total contractual services	172,300	127,100	138,694
Commodities:			
Maintenance materials	-	15,000	13,638
Repair and replacement	-	1,000	1,370
Construction materials	-	3,000	3,664
Total commodities	-	19,000	18,672
Other charges:			
Minor equipment	-	4,000	2,581
Vehicle allowance	-	5,520	5,525
Business expenditures	-	1,000	986
Total other charges	-	10,520	9,092
Total building and grounds	172,300	156,620	166,458
Total public works	1,696,350	1,542,020	1,482,159
Parks and Open Spaces			
Parks and grounds:			
Personnel services:			
Regular salaries	1,407,000	410,000	378,441
Part time wages		8,000	5,640
Overtime salaries	-	15,000	8,817
IMRF	63,250	57,500	55,456
FICA	36,850	33,500	29,475
Total personnel services	1,507,100	524,000	477,829

	Original And Final Appropriation	Original and Final Budget	Actual
Parks and Open Spaces (Continued)			
Parks and grounds (continued):			
Contractual services:			
Equipment maintenance	$ -	$ 500	$ 177
Professional services	-	75,000	77,380
Gas utilities	-	2,500	1,845
Electric utilities	-	26,000	14,082
Outside services	-	94,500	98,805
Lighting maintenance	-	8,510	8,529
Landscape maintenance	-	314,000	324,110
Wildlife maintenance	-	1,500	-
Special events	-	130,000	148,026
Total contractual services	-	652,510	672,954
Commodities:			
Maintenance materials	-	33,500	30,357
Repair and replacement	-	3,700	7,274
Construction materials	-	5,500	6,445
Total commodities	-	42,700	44,076
Other charges:			
Memberships	-	1,000	380
Vehicle allowance	-	128,090	128,095
Professional development	-	1,500	1,322
Publications	-	100	-
Uniforms	-	7,000	7,000
Minor equipment	-	2,500	13,717
Business expenditures	-	500	702
Total other charges	-	140,690	151,216
Total parks and open spaces	1,507,100	1,359,900	1,346,075
Total expenditures	$ 12,759,900	$ 11,589,330	$ 11,103,294

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, 2022

	Original and Final Appropriation	Original and Final Budget	Actual
Revenues			
Property taxes		$ 1,160,620	$ 1,162,987
Investment income		17,620	21,578
Total revenues		1,178,240	1,184,565
Expenditures			
General government:			
Contractual services	$ 7,500	$ 6,750	$ 1,100
Debt service:			
Principal retirement	1,280,500	1,163,750	530,000
Interest and fiscal charges	-	-	617,188
Total expenditures	$ 1,288,000	1,170,500	1,148,288
Net change in fund balance		$ 7,740	36,277
Fund Balance, Beginning			2,247,644
Fund Balance, Ending			$ 2,283,921

Village of Lincolnshire

Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
General Capital Projects Fund
Year Ended December 31, 2022

	Original and Final Appropriation	Original and Final Budget	Actual
Revenues			
Intergovernmental:			
Miscellaneous grants	$ -	$ 95,000	$ 40,030
Miscellaneous:			
Donations	-	-	10,882
Other income	-	917,740	14,325
Total revenue	-	1,012,740	65,237
Expenditures			
General government:			
Contractual services	-	60,000	55,464
Capital outlay	3,258,000	-	-
Equip- Body Camera System	-	46,000	-
Capital Assets- Vehicles	-	50,000	150
Equip- Servers/Computers/Printers	-	72,760	19,768
Phone System- VH	-	20,970	11,838
Equip: Media VH- Board & Media Rms	-	100,000	-
Phone System- PWF	-	20,970	11,838
Equip- Trailer #261	-	10,000	7,790
Excavator #316	-	80,000	81,669
Veh- One Ton Flatbed (#230)	-	85,000	-
Street Name Sign/ Post Rpl	-	7,500	6,679
Infra- Road Resurfacing	-	981,000	408,702
Engineering- Road Resurfacing 1 2 3	-	445,000	134,376
North Park Soccer Goal Replace	-	35,000	21,763
North Park- Concession Bldg Improve	-	75,000	89,993
Rivershire Parking Site Improvements	-	160,000	301,649
Parks Entrance Sign Replace	-	250,000	11,952
Park Sign/Post Replacements	-	2,000	3
Prof Svc- Park Entry Sign Design	-	20,000	-
Poured in Place Playground Surface	-	100,000	126,360
Village Entryway Sign Replacement	-	280,000	12,902
Flooring Replace- VH	-	25,000	3,700
Microlink Connection VH	-	-	25,246
Total expenditures	3,258,000	2,926,200	1,331,842
Excess (deficiency) of revenues over (under) expenditures	3,258,000	(1,913,460)	(1,266,605)
Other Financing Sources (Uses)			
Transfers in	-	(758,000)	2,337,494
Proceeds from sale of capital assets	-	-	17,000
Transfers out	-	-	-
Total other financing sources (uses)	-	(758,000)	2,354,494
Net change in fund balance	$ 3,258,000	$ (2,671,460)	1,087,889
Fund Balance, Beginning			5,972,857
Fund Balance, Ending			$ 7,060,746

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, 2022

	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	$ 755,122	$ 141,660	$ 896,782	$ 656,752	$ 1,553,534
Investments	-	-	-	1,016,876	1,016,876
Receivables:					
Other taxes	30,990	-	30,990	-	30,990
Total assets	$ 786,112	$ 141,660	$ 927,772	$ 1,673,628	$ 2,601,400
Liabilities and Fund Balance					
Liabilities					
Accounts payable	$ -	$ 9,072	$ 9,072	$ -	$ 9,072
Total liabilities	-	9,072	9,072	-	9,072
Fund Balances					
Restricted for maintenance of roadways	786,112	-	786,112	-	786,112
Restricted for public safety	-	132,588	132,588	-	132,588
Restricted for park improvements	-	-	-	1,527,414	1,527,414
Assigned for capital projects	-	-	-	146,214	146,214
Total fund balances	786,112	132,588	918,700	1,673,628	2,592,328
Total liabilities and fund balance	$ 786,112	$ 141,660	$ 927,772	$ 1,673,628	$ 2,601,400

Village of Lincolnshire

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended December 31, 2022

	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	$ -	$ 114,760	$ 114,760	$ -	$ 114,760
Intergovernmental	462,188	-	462,188	-	462,188
Investment income	2,116	-	2,116	2,529	4,645
Miscellaneous	-	-	-	953	953
Donations	-	-	-	64,031	64,031
Total revenue	464,304	114,760	579,064	67,513	646,577
Excess (deficiency) of revenues over expenditures	464,304	114,760	579,064	67,513	646,577
Other Financing Sources (Uses)					
Transfers out	(151,287)	-	(151,287)	(305,535)	(456,822)
Total other financing sources (uses)	(151,287)	-	(151,287)	(305,535)	189,755
Net change in fund balance	313,017	114,760	427,777	(238,022)	189,755
Fund Balance, Beginning	473,095	17,828	490,923	1,911,650	2,402,573
Fund Balance, Ending	$ 786,112	$ 132,588	$ 918,700	$ 1,673,628	$ 2,592,328

Village of Lincolnshire

Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Motor Fuel Tax Fund
Year Ended December 31, 2022

	Original and Final Appropriation	Original and Final Budget	Actual
Revenues			
Intergovernmental:			
Allotments earned		$ 270,000	$ 302,371
Miscellaneous grants		159,820	159,817
Investment income		400	2,116
Total revenues		430,220	464,304
Expenditures			
Capital outlay	$ 264,000	-	-
Total expenditures	$ 264,000	-	-
Excess (deficiency) of revenues over (under) expenditures		-	464,304
Other Financing Sources (Uses)			
Transfers out		(240,000)	(151,287)
Total other financing sources (uses)		(240,000)	(151,287)
Net change in fund balance		$ 190,220	313,017
Fund Balance, Beginning			473,095
Fund Balance, Ending			$ 786,112

Village of Lincolnshire

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Fraud, Alcohol and Drug Fund
Year Ended December 31, 2022

	Original and Final Appropriation	Original and Final Budget	Actual
Revenues			
Fines and forfeitures		$ 115,000	$ 114,760
Total revenues		115,000	114,760
Expenditures			
Public safety	$ -	-	-
Total expenditures	$ -	-	-
Excess (deficiency) of revenues over (under) expenditures		115,000	114,760
Net change in fund balance		$ 115,000	114,760
Fund Balance, Beginning			17,828
Fund Balance, Ending			$ 132,588

Village of Lincolnshire

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Park Development Capital Projects Fund
Year Ended December 31, 2022

	Original and Final Appropriation	Original and Final Budget	Actual
Revenues			
Investment income		$ 800	$ 2,529
Miscellaneous		-	953
Park donations		22,000	64,031
Total revenues		22,800	67,513
Expenditures			
Capital outlay	$ 773,000	-	-
Total expenditures	$ 773,000	-	-
Excess (deficiency) of revenues over (under) expenditures		-	67,513
Other Financing Sources (Uses)			
Transfers out		(702,000)	(305,535)
Total other financing sources (uses)		(702,000)	(305,535)
Net change in fund balance		$ (679,200)	(238,022)
Fund Balance, Beginning			1,911,650
Fund Balance, Ending			$ 1,673,628

Enterprise Funds

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.

Storm sewer fund - to account for the storm 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, 2022

	Revenue Account	Improvement Account	Total
Current Assets			
Cash and cash equivalents	$ 1,325,595	$ (589,755)	$ 735,840
Investments	210,808	223,595	434,403
Receivables:			
Accounts, billed	416,796	-	416,796
Accounts, unbilled	378,483	-	378,483
Prepaid items	25,865	-	25,865
Total current assets	2,357,547	(366,160)	1,991,387
Noncurrent Assets			
Net pension asset	263,522	-	263,522
Capital assets:			
Nondepreciable	185,652	-	185,652
Depreciable (net of accumulated depreciation)	34,494,879	-	34,494,879
Net noncurrent assets	34,944,053	-	34,944,053
Total assets	37,301,600	(366,160)	36,935,440
Deferred Outflows of Resources			
Pension items, IMRF	98,569	-	98,569
Total deferred outflows of resources	98,569	-	98,569
Current Liabilities			
Accounts payable	418,061	82,766	500,827
Accrued payroll	13,992	-	13,992
Compensated absences	63,550	-	63,550
Total current liabilities	495,603	82,766	578,369
Long-Term Liabilities			
Total OPEB liability	223,936	-	223,936
Total long-term liabilities	223,936	-	223,936
Total liabilities	719,539	82,766	802,305
Deferred Inflows Of Resources			
Pension items, IMRF	675,836	-	675,836
Total deferred inflows of resources	675,836	-	675,836
Net Position			
Net investment in capital assets	34,680,531	-	34,680,531
Employee benefits	263,522	-	263,522
Unrestricted (deficit)	1,060,741	(448,926)	611,815
Total net position	$ 36,004,794	$ (448,926)	$ 35,555,868

Village of Lincolnshire

Combining Schedule of Revenues, Expenses and Changes in Net Position
Water and Sanitary Sewer Fund
Year Ended December 31, 2022

	Revenue Account	Improvement Account	Eliminations	Total
Operating Revenues				
Charges for services	$ 5,478,370	$ -	$ -	$ 5,478,370
Miscellaneous	7,130	-	-	7,130
Total operating revenues	5,485,500	-	-	5,485,500
Operating Expenses				
Administration	247,401	-	-	247,401
Operations	4,255,776	-	-	4,255,776
Repairs and maintenance	-	62,720	-	62,720
Depreciation	1,682,327	-	-	1,682,327
Total operating expenses	6,185,504	62,720	-	6,248,224
Operating income (loss)	(700,004)	(62,720)	-	(762,724)
Nonoperating Revenues (expenses)				
Investment income	5,007	4,332	-	9,339
Connection fees	-	50,903	-	50,903
Total nonoperating revenues (expenses)	5,007	55,235	-	60,242
Net income (loss) before contributions and transfers	(694,997)	(7,485)	-	(702,482)
Contributions				
Contributions of capital assets	2,091,199	-	(2,091,199)	-
Total contributions	2,091,199	-	(2,091,199)	-
Transfers				
Transfers in	-	1,100,000	-	1,100,000
Transfers out	-	(2,091,199)	2,091,199	-
Total transfers	-	(991,199)	2,091,199	1,100,000
Change in net position	1,396,202	(998,684)	-	397,518
Net Position, Beginning	34,608,592	549,758	-	35,158,350
Net Position (Deficit), Ending	$ 36,004,794	$ (448,926)	$ -	$ 35,555,868

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, 2022

	Original and Final Appropriation	Original and Final Budget	Actual
Operating Revenues			
Charges for services:			
Water and sanitary sewer fees		$ 5,250,000	$ 5,478,370
Miscellaneous:			
Other income		8,000	7,130
Total operating revenue		5,258,000	5,485,500
Operating Expenses			
Administration	$ -	628,630	247,401
Operations	5,615,000	4,458,860	4,255,776
Total operating expense excluding depreciation	$ 5,615,000	5,087,490	4,503,177
Operating income (loss) before depreciation		170,510	982,323
Depreciation		-	1,682,327
Operating income (loss)		170,510	(700,004)
Nonoperating Revenues (Expenses)			
Investment income		500	5,007
Total nonoperating revenues (expenses)		500	5,007
Net income (loss) before contributions and transfers		171,010	(694,997)
Contributions			
Contributions of capital assets		-	2,091,199
Total contributions		-	2,091,199
Change in net position		$ 171,010	1,396,202
Net Position, Beginning			34,608,592
Net Position, Ending			$ 36,004,794

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, 2022

	Original and Final Appropriation	Original and Final budget	Actual
Operating Expenses			
Capital outlay	$ 2,840,000	$ 2,475,000	$ 62,720
Total operating expense	$ 2,840,000	2,475,000	62,720
Operating income (loss)		(2,475,000)	(62,720)
Nonoperating Revenues (Expenses)			
Investment income		800	4,332
Connection fees		50,000	50,903
Total nonoperating revenues (expenses)		50,800	55,235
Net income (loss) before transfers		(2,424,200)	(7,485)
Transfers			
Transfers in		2,350,000	1,100,000
Transfers out		-	(2,091,199)
Total transfers		2,350,000	(991,199)
Change in net position		$ (74,200)	$ (998,684)
Net Position, Beginning			549,758
Net Position (Deficit), Ending			$ (448,926)

Village of Lincolnshire

Schedule of Operating Expenses, Budget and Actual
Water and Sanitary Sewer Fund, Revenue Account
Year Ended December 31, 2022

	Original and Final Appropriation	Original and Final Budget	Actual
Administration			
Personnel services:			
Regular salaries	$ -	$ 220,000	$ 213,565
Part time wages	-	15,500	15,420
IMRF	-	30,000	27,728
FICA	-	18,750	15,202
Pension expense	-	-	(262,944)
OPEB expense	-	-	(85,849)
Total personnel services	-	284,250	(76,878)
Contractual services:			
Telephone	-	30,290	30,463
Printing	-	12,790	11,898
Professional services	-	29,000	22,166
Data processing	-	7,700	7,289
Postage	-	9,850	9,831
Duplicating	-	610	874
Medical insurance	-	163,100	142,559
General insurance	-	62,640	69,697
Outside services	-	25,080	26,309
Total contractual services	-	341,060	321,086
Commodities:			
Office supplies	-	1,000	768
Total commodities	-	1,000	768
Other charges:			
Vehicle allowance	-	2,320	2,325
Bad debt expense	-	-	100
Total other charges	-	2,320	2,425
Total administration	-	628,630	247,401

Village of Lincolnshire

Schedule of Operating Expenses, Budget and Actual
Water and Sanitary Sewer Fund, Revenue Account
Year Ended December 31, 2022

	Original and Final Appropriation	Original and Final Budget	Actual
Operations			
Personnel services:			
Regular salaries	$ 5,615,000	$ 425,000	$ 418,722
Overtime salaries	-	15,000	11,961
IMRF	-	58,500	55,456
FICA	-	35,000	32,087
Total personnel services	5,615,000	533,500	518,226
Contractual services:			
Equipment maintenance	-	92,000	112,661
Professional services	-	10,000	4,338
Gas utilities	-	4,000	4,798
Electric utilities	-	85,000	68,898
Outside services	-	85,100	64,062
System maintenance	-	164,660	192,838
Water purchases	-	1,875,000	1,677,252
Sanitary sewer charges	-	1,475,000	1,450,843
Sanitary sewer transmission fees	-	7,800	18,564
Total contractual services	-	3,798,560	3,594,254
Commodities:			
Maintenance materials	-	20,450	24,811
Water meters	-	10,000	20,591
Total commodities	-	30,450	45,402
Other charges:			
Memberships	-	1,100	1,200
Professional development	-	2,040	1,971
Uniforms	-	4,000	4,186
Vehicle allowance	-	55,210	55,207
Minor equipment	-	3,000	3,911
Business expense	-	1,000	1,092
Hydrant replacement	-	30,000	30,327
Total other charges	-	96,350	97,894
Total operations	5,615,000	4,458,860	4,255,776
Total operating expenses	$ 5,615,000	$ 5,087,490	$ 4,503,177

Schedule of Operating Expenses, Budget and Actual
Water and Sanitary Sewer Fund, Improvement Account
Year Ended December 31, 2022

	Original and Final Appropriation	Original and Final Budget	Actual
Capital Outlay			
Leak survey	$ 2,840,000	$ 20,000	$ 18,013
Electrical ESR	-	35,000	-
Riverwoods watermain replacement	-	697,000	656,401
Whitmore watermain loop	-	1,225,000	1,151,836
Oxford/Yorkshire/Wilshire watermain	-	120,000	78,819
Miscellaneous repairs	-	157,500	9,486
Sanitary sewer engineering services	-	110,250	131,500
Sanitary sewer lining repairs	-	110,250	107,864
Fixed asset expense	-	-	(2,091,199)
Total capital outlay	2,840,000	2,475,000	62,720
Total operating expenses	$ 2,840,000	$ 2,475,000	$ 62,720

Village of Lincolnshire

Combining Schedule of Net Position
Storm Sewer Fund
December 31, 2022

	Revenue Account	Improvement Account	Total
Current Assets			
Cash and cash equivalents	$ 328,265	$ 167,469	$ 495,734
Investments	-	3,815,776	3,815,776
Accounts receivable, billed	83,587	-	83,587
Prepaid items	69	-	69
Total current assets	411,921	3,983,245	4,395,166
Noncurrent Assets			
Net pension asset	37,645	-	37,645
Capital assets:			
Nondepreciable	729,785	-	729,785
Depreciable (net of accumulated depreciation)	6,574,796	-	6,574,796
Net noncurrent assets	7,342,226	-	7,342,226
Total assets	7,754,147	3,983,245	11,737,392
Deferred Outflows of Resources			
Pension items, IMRF	14,081	-	14,081
Total deferred outflows of resources	14,081	-	14,081
Current Liabilities			
Accounts payable	4,043	27,493	31,536
Accrued interest	-	12,564	12,564
Accrued payroll	1,593	-	1,593
Compensated absences	4,459	-	4,459
General obligation bonds payable	-	750,000	750,000
Total current liabilities	10,095	790,057	800,152
Long-Term Liabilities			
General obligation bonds payable	-	3,315,000	3,315,000
Total OPEB liability	24,226	-	24,226
Total long-term liabilities	24,226	3,315,000	3,339,226
Total liabilities	34,321	4,105,057	4,139,378
Deferred Inflows Of Resources			
Pension items, IMRF	96,544	-	96,544
Total deferred inflows of resources	96,544	-	96,544
Net Position			
Net investment in capital assets	7,083,909	-	7,083,909
Employee benefits	37,645	-	37,645
Unrestricted (deficit)	515,809	(121,812)	393,997
Total net position	$ 7,637,363	$ (121,812)	$ 7,515,551

Village of Lincolnshire

Combining Schedule of Revenues, Expenses and Changes in Net Position
Storm Sewer Fund
Year Ended December 31, 2022

	Revenue Account	Improvement Account	Eliminations	Total
Operating Revenues				
Charges for services	$ 960,522	$ -	$ -	$ 960,522
Total operating revenues	960,522	-	-	960,522
Operating Expenses				
Administration	247,740	-	-	247,740
Operations	-	3,304	-	3,304
Repairs and maintenance	-	1,212	-	1,212
Depreciation	316,880	-	-	316,880
Total operating expenses	564,620	4,516	-	569,136
Operating income (loss)	395,902	(4,516)	-	391,386
Nonoperating Revenues (expenses)				
Investment income	-	33,847	-	33,847
Intergovernmental	-	47,494	-	47,494
Bond issuance costs	-	(62,399)	-	(62,399)
Interest and fiscal charges	-	(89,206)	-	(89,206)
Total nonoperating revenues (expenses)	-	(70,264)	-	(70,264)
Net income (loss) before contributions and transfers	395,902	(74,780)	-	321,122
Contributions				
Contributions of capital assets	7,621,461	-	(646,360)	6,975,101
Total contributions	7,621,461	-	(646,360)	6,975,101
Transfers				
Transfers in	440,000	820,000	(820,000)	440,000
Transfers out	(820,000)	(867,032)	1,466,360	(220,672)
Total transfers	(380,000)	(47,032)	646,360	219,328
Change in net position	7,637,363	(121,812)	-	7,515,551
Net Position, Beginning	-	-	-	-
Net Position (Deficit), Ending	$ 7,637,363	$ (121,812)	$ -	$ 7,515,551

Village of Lincolnshire

Schedule of Revenues, Expenses and Changes in Net Position, Budget and Actual
Storm Sewer Fund, Revenue Account
Year Ended December 31, 2022

	Original and Final Appropriation	Original and Final Budget	Actual
Operating Revenues			
Charges for services:			
Storm sewer fees		$ 900,000	$ 960,522
Total operating revenue		900,000	960,522
Operating Expenses			
Administration	$ 1,147,000	222,650	247,740
Total operating expense excluding depreciation	$ 1,147,000	222,650	247,740
Operating income (loss) before depreciation		677,350	712,782
Depreciation		-	316,880
Operating income (loss)		677,350	395,902
Nonoperating Revenues (Expenses)			
Investment income		1,000	-
Total nonoperating revenues (expenses)		1,000	-
Net income (loss) before contributions and transfers		678,350	395,902
Contributions			
Contributions of capital assets		-	7,621,461
Transfers			
Transfers in		440,000	440,000
Transfers out		(820,000)	(820,000)
Total transfers		(380,000)	(380,000)
Change in net position		$ 298,350	$ 7,637,363
Net Position, Beginning			-
Net Position, Ending			$ 7,637,363

Village of Lincolnshire

Schedule of Revenues, Expenses and Changes in Net Position, Budget and Actual
Storm Sewer Fund, Improvement Account
Year Ended December 31, 2022

	Original and Final Appropriation	Original and Final budget	Actual
Operating Expenses			
Contractual services	$ -	$ 30,000	$ 3,304
Capital outlay	5,632,000	4,940,000	1,212
Total operating expense	$ 5,632,000	4,970,000	4,516
Operating income (loss)		(4,970,000)	(4,516)
Nonoperating Revenues (Expenses)			
Investment income		-	33,847
Capital grant		-	47,494
Debt service		(150,000)	(151,605)
Total nonoperating revenues (expenses)		(150,000)	(70,264)
Net income (loss) before transfers		(5,120,000)	(74,780)
Transfers			
Transfers in		820,000	820,000
Transfers out		-	(867,032)
Total transfers		820,000	(47,032)
Change in net position		$ (4,300,000)	$ (121,812)
Net Position, Beginning			-
Net Position (Deficit), Ending			$ (121,812)

Village of Lincolnshire

Schedule of Operating Expenses, Budget and Actual
Storm Sewer Fund, Revenue Account
Year Ended December 31, 2022

	Original and Final Appropriation	Original and Final Budget	Actual
Administration			
Personnel services:			
Regular salaries	$ 1,147,000	$ 78,000	$ 74,239
Part time wages	-	-	1,697
IMRF	-	11,000	11,883
FICA	-	6,500	5,724
Pension expense	-	-	44,818
OPEB expense	-	-	24,226
Total personnel services	1,147,000	95,500	162,587
Contractual services:			
Professional services	-	100,000	56,162
Medical insurance	-	27,150	28,991
Total contractual services	-	127,150	85,153
Total administration	1,147,000	222,650	247,740
Total operating expenses	$ 1,147,000	$ 222,650	$ 247,740

Village of Lincolnshire

Schedule of Operating Expenses, Budget and Actual
Storm Sewer Fund, Improvement Account
Year Ended December 31, 2022

	Original and Final Appropriation	Original and Final Budget	Actual
Operations			
Contractual services:			
Professional services	$ 5,632,000	$ 30,000	$ 3,304
Total contractual services	5,632,000	30,000	3,304
Capital Outlay			
Southeast Windsor Dr.	-	4,155,000	1,211
Detention basin construction	-	360,000	1
Storm sewer lining	-	20,000	-
Storm line replacement	-	40,000	-
Lincolnshire Dr. South	-	200,000	-
Lincolnshire Dr. North	-	165,000	-
Total capital outlay	-	4,940,000	1,212
Total operating expenses	$ 5,632,000	$ 4,970,000	$ 4,516

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, 2022

	Original and Final Appropriation	Original and Final Budget	Actual
Operating Revenues			
Interfund services:			
General fund	$ -	$ 496,850	$ 496,861
Water and sanitary sewer fund	-	55,210	55,207
Total operating revenue	-	552,060	552,068
Operating Expenses			
Personnel services:			
Regular salaries	608,000	174,000	164,786
Overtime salaries	-	10,000	12,548
IMRF	-	24,000	23,767
FICA	-	14,500	13,892
Pension expense	-	-	(64,977)
OPEB expense	-	-	(20,237)
Total personnel services	608,000	222,500	129,779
Professional services:			
Equipment maintenance	-	3,000	1,941
Medical insurance	-	66,400	51,994
General insurance	-	19,460	17,729
Outside services	-	85,500	149,231
Total professional services	-	174,360	220,895
Commodities:			
Maintenance materials	-	9,300	5,346
Fuel expenditures	-	80,000	91,070
Oil and antifreeze	-	5,000	6,577
Vehicle tires	-	10,000	8,350
Vehicle maintenance parts	-	41,500	33,268
Total commodities	-	145,800	144,611

Village of Lincolnshire

Schedule of Revenues, Expenses and Changes in Net Position, Budget and Actual
Vehicle Maintenance and Operations Fund
Year Ended December 31, 2022

	Original and Final Appropriation	Original and Final Budget	Actual
Other charges:			
Memberships	$ -	$ 250	$ 30
Professional development	-	4,150	4,136
Publications	-	2,500	1,500
Uniforms	-	2,500	5,344
Bad debt expense	-	-	21
Total other charges	-	9,400	11,031
Total operating expenses	$ 608,000	552,060	506,316
Change in net position		$ -	45,752
Net Position (Deficit), Beginning			(150,361)
Net Position (Deficit), Ending			$ (104,609)

Fiduciary Fund

Village of Lincolnshire

Schedule of Changes in Fiduciary Net Position Budget and Actual
Police Pension Fund
Year Ended December 31, 2022

	Original and Final Appropriation	Original and Final Budget	Actual
Additions			
Employer		$ 1,033,370	$ 1,002,258
Employee contributions		280,000	242,932
Total contributions		1,313,370	1,245,190
Investment income:			
Interest earned on investments		505,000	240,827
Net appreciation in fair value of investments		-	(4,769,573)
Total investment income		505,000	(4,528,746)
Less investment expense		(85,000)	(13,333)
Net investment income		420,000	(4,542,079)
Total additions		1,733,370	(3,296,889)
Deductions			
Administrative	$ 2,060,000	35,850	40,627
Benefits	-	1,600,000	1,554,362
Refunds of contributions	-	150,000	-
Total deductions	$ 2,060,000	1,785,850	1,594,989
Change in fiduciary net position		$ (52,480)	(4,891,878)
Net Position, Beginning			30,451,408
Net Position, Ending			$ 25,559,530

Statistical Section

This part of the Village of Lincolnshire, Illinois' annual comprehensive 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. 122

Revenue Capacity

These schedules contain information to help the reader assess the Village's most significant local revenue source, the sales tax. 127

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. 130

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. 134

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. 137

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

Village of Lincolnshire

Net Position by Component
Last Ten Fiscal Years

	2013	2014	2015*	2016	2017	2018**	2019	2020	2021	2022
Governmental Activities										
Net investment in capital assets	$ 69,304,209	$ 69,798,415	$ 69,382,066	$ 69,513,712	$ 70,092,708	$ 69,597,751	$ 68,438,606	$ 68,197,648	$ 68,270,324	$ 60,364,049
Restricted	2,465,578	2,647,313	2,725,241	2,820,674	3,886,431	4,579,166	5,280,725	4,999,882	4,881,965	6,278,384
Unrestricted	3,318,734	4,589,920	(5,885,183)	(5,329,015)	(5,139,310)	(5,598,995)	(4,527,338)	(5,681,104)	(6,113,440)	(3,768,140)
Total governmental activities	$ 75,088,521	$ 77,035,648	$ 66,222,124	$ 67,005,371	$ 68,839,829	$ 68,577,922	$ 69,191,993	$ 67,516,426	$ 67,038,849	$ 62,874,293
Business-type activities										
Net investment in capital assets	$ 35,948,245	$ 35,045,804	$ 34,970,306	$ 33,849,040	$ 34,152,185	$ 34,238,784	$ 34,191,527	$ 32,880,933	$ 34,260,811	$ 41,764,440
Restricted	-	-	-	-	-	-	-	-	-	301,167
Unrestricted	2,261,714	2,239,565	763,102	991,465	1,910,776	961,613	983,522	914,475	897,539	1,005,812
Total business-type activities	$ 38,209,959	$ 37,285,369	$ 35,733,408	$ 34,840,505	$ 36,062,961	$ 35,200,397	$ 35,175,049	$ 33,795,408	$ 35,158,350	$ 43,071,419
Primary Government										
Net investment in capital assets	$ 105,252,454	$ 104,844,219	$ 104,352,372	$ 103,362,752	$ 104,244,893	$ 103,836,535	$ 102,630,133	$ 101,078,581	$ 102,531,135	$ 102,128,489
Restricted	2,465,578	2,647,313	2,725,241	2,820,674	3,886,431	4,579,166	5,280,725	4,999,882	4,881,965	6,579,551
Unrestricted	5,580,448	6,829,485	(5,122,081)	(4,337,550)	(3,228,534)	(4,637,382)	(3,543,816)	(4,766,629)	(5,215,901)	(2,762,328)
Total primary government	$ 113,298,480	$ 114,321,017	$ 101,955,532	$ 101,845,876	$ 104,902,790	$ 103,778,319	$ 104,367,042	$ 101,311,834	$ 102,197,199	$ 105,945,712

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

	2013	2014	2015*	2016	2017	2018**	2019	2020	2021	2022
Expenses										
Governmental activities:										
General government	$ 2,037,465	$ 3,204,077	$ 3,261,101	$ 3,070,618	$ 2,821,648	$ 3,012,238	$3,355,419	$ 2,701,606	$ 3,543,226	$ 2,560,650
Public safety	4,244,795	3,921,903	4,224,091	4,592,881	4,553,263	4,969,667	5,325,833	4,162,254	3,611,574	4,841,701
Community and economic development	82,073	562,297	846,364	843,023	1,109,782	1,119,296	972,349	944,145	746,138	862,004
Public works	4,551,630	1,912,541	2,525,799	2,684,373	2,580,095	2,398,725	2,800,379	3,598,874	2,479,941	1,936,227
Parks and open spaces	1,496,702	2,000,840	1,594,035	1,850,099	1,866,928	1,853,000	2,040,594	2,270,981	2,088,589	1,885,091
Interest	973,071	890,093	844,605	764,597	762,720	726,110	698,646	669,583	639,013	606,041
Total governmental activities expenses	13,385,736	12,491,751	13,295,995	13,805,591	13,694,436	14,079,036	15,193,220	14,347,443	13,108,481	12,691,714
Business-type activities:										
Water and sanitary sewer	5,729,624	5,501,426	5,561,073	5,917,486	6,129,605	5,924,162	5,914,640	6,798,795	6,542,141	6,248,224
Storm sewer	-	-	-	-	-	-	-	-	-	720,741
Total business-type activities expenses	5,729,624	5,501,426	5,561,073	5,917,486	6,129,605	5,924,162	5,914,640	6,798,795	6,542,141	6,968,965
Total primary government expenses	$ 19,115,360	$ 17,993,177	$ 18,857,068	$ 19,723,077	$ 19,824,041	$ 20,003,198	$21,107,860	$ 21,146,238	$ 19,650,622	$ 19,660,679
Program Revenues										
Governmental activities:										
Charges for services:										
General government	$ 239,339	$ 328,654	$ 316,593	$ 360,272	$ 423,853	$ 345,387	$308,809	$ 293,305	$ 233,324	$ 350,725
Public safety	981,973	866,101	841,785	739,850	779,896	868,497	1,038,868	932,651	1,141,494	1,241,811
Community development	199,557	364,734	364,724	320,000	637,123	355,501	377,226	289,008	286,279	348,244
Public works	12,500	17,370	16,489	35,999	32,995	36,976	25,436	19,200	33,901	46,771
Parks and recreation	58,098	38,082	39,668	40,212	27,670	20,346	36,525	30,403	41,964	28,238
Operating grants and contributions	257,382	362,589	246,279	230,860	1,735,927	1,411,362	1,060,899	1,062,328	1,187,324	1,140,802
Capital grants and contributions	-	67,904	57,602	179,635	1,080,392	17,023	233,098	-	498,435	-
Total governmental activities program revenues	1,748,849	2,045,434	1,883,140	1,906,828	4,717,856	3,055,092	3,080,861	2,626,895	3,422,721	3,156,591
Business-type activities:										
Charges for services:										
Water and sanitary sewer	3,882,816	4,001,441	3,840,582	4,983,740	6,000,952	4,707,901	5,127,653	5,144,814	5,503,642	5,536,403
Storm sewer	-	-	-	-	-	-	-	-	-	960,522
Capital grants and contributions	-	473,595	-	-	309,320	-	-	-	-	47,494
Total business-type activities program revenues	3,882,816	4,475,036	3,840,582	4,983,740	6,310,272	4,707,901	5,127,653	5,144,814	5,503,642	6,544,419
Total primary government program revenues	$ 5,631,665	$ 6,520,470	$ 5,723,722	$ 6,890,568	$ 11,028,128	$ 7,762,993	$ 8,208,514	$ 7,771,709	$ 8,926,363	$ 9,701,010
Net Revenue (Expense)										
Governmental activities	$ (11,636,887)	$ (10,446,317)	$ (11,412,855)	$ (11,898,763)	$ (8,976,580)	$ (11,023,944)	$ (12,112,359)	$ (11,720,548)	$ (9,685,760)	$ (9,535,123)
Business-type activities	(1,846,808)	(1,026,390)	(1,720,491)	(933,746)	180,667	(1,216,261)	(786,987)	(1,653,981)	(1,038,499)	(424,546)
Total primary government net revenue (expense)	$ (13,483,695)	$ (11,472,707)	$ (13,133,346)	$ (12,832,509)	$ (8,795,913)	$ (12,240,205)	$ (12,899,346)	$ (13,374,529)	$ (10,724,259)	$ (9,959,669)

Village of Lincolnshire

Change in Net Position
Last Ten Fiscal Years

	2013	2014	2015*	2016	2017	2018**	2019	2020	2021	2022
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property	$ 4,355,002	$ 2,589,086	$ 2,583,554	$ 2,649,278	$ 2,745,211	$ 2,784,047	$ 2,816,049	$ 2,734,390	$ 2,933,796	$ 2,814,452
Home rule sales tax	1,256,668	1,231,097	1,409,339	1,147,067	1,182,998	1,672,796	1,688,409	1,089,131	1,452,943	1,801,569
Utility	1,318,577	1,427,191	1,304,252	1,238,194	1,245,328	1,281,254	1,271,929	1,150,147	1,177,706	1,257,611
Telecommunications	1,219,285	1,041,159	1,172,430	1,215,516	1,190,635	1,060,063	1,037,637	953,406	1,027,171	910,389
Food and beverage	-	-	-	-	47,403	801,681	741,918	388,915	541,944	684,543
Room and admissions	1,733,789	1,831,416	1,931,739	1,873,847	1,699,538	2,016,916	2,076,917	581,881	978,326	1,689,459
Real estate transfer	330,958	364,410	491,669	465,951	732,675	540,178	340,446	502,844	452,664	1,005,721
Intergovernmental	3,204,481	3,458,440	3,996,442	3,344,977	2,627,040	2,836,458	2,913,425	2,368,238	2,945,375	3,647,763
Investment income	46,530	(38,994)	55,477	76,024	85,826	164,322	329,259	347,192	83,344	(61,144)
Miscellaneous	84,015	51,699	84,252	180,018	281,384	137,929	260,441	199,739	14,914	(85,367)
Gain (loss) on sale of capital assets	47,679	19,665	10,235	14,959	-	-	-	-	-	-
Transfers in (out)	(1,090,400)	(96,297)	(906,519)	94,417	(1,027,000)	(600,000)	(750,000)	(270,902)	(2,400,000)	(8,294,429)
Special item, loss on sale of land	(4,396,241)	-	-	-	-	-	-	-	-	-
Total governmental activities	8,110,343	11,878,872	12,132,870	12,300,248	10,811,038	12,695,644	12,726,430	10,044,981	9,208,183	5,370,567
Business-type activities:										
Investment income	4,089	5,503	3,683	4,339	6,714	10,024	11,639	3,438	1,441	43,186
Gain (loss) on sale of capital assets	2,000	-	3,442	10,365	8,075	-	-	-	-	-
Transfers in	1,090,400	96,297	906,519	(94,417)	1,027,000	600,000	750,000	270,902	2,400,000	8,294,429
Total business-type activities	1,096,489	101,800	913,644	(79,713)	1,041,789	610,024	761,639	274,340	2,401,441	8,337,615
Total primary government	9,206,832	11,980,672	13,046,514	12,220,535	11,852,827	13,305,668	13,488,069	10,319,321	11,609,624	13,708,182
Change In Net Position										
Governmental activities	(3,526,544)	1,432,555	720,015	401,485	1,834,458	1,671,700	614,071	(1,675,567)	(477,577)	(4,164,556)
Business-type activities	(750,319)	(924,590)	(806,847)	(1,013,459)	1,222,456	(606,237)	(25,348)	(1,379,641)	1,362,942	7,913,069
Total primary government change in net position	$ (4,276,863)	$ 507,965	$ (86,832)	$ (611,974)	$ 3,056,914	$ 1,065,463	$ 588,723	$ (3,055,208)	$ 885,365	$ 3,748,513

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Nonspendable	$ 9,461	$ 775	$ 1,334,089	$ 1,334,267	$ 1,085,980	$ 1,105,615	$ 1,118,152	$ 1,147,215	$ 1,159,950	$ 1,144,651
Restricted	-	-	-	232,737	-	-	188,046	205,661	374,480	594,639
Unassigned	12,103,725	10,612,821	9,748,038	5,341,222	5,958,900	5,946,536	6,439,359	6,077,731	5,850,974	6,251,028
Total general fund	$ 12,113,186	$ 10,613,596	$ 11,082,127	$ 6,908,226	$ 7,044,880	$ 7,052,151	$ 7,745,557	$ 7,430,607	$ 7,385,404	$ 7,990,318
All Other Governmental Funds										
Nonspendable	$ -	$ -	$ 95,235	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Restricted	2,465,578	2,647,313	2,725,241	2,587,937	3,886,431	4,579,166	5,092,679	4,794,221	4,507,485	4,730,035
Assigned, reported in capital projects funds	60,676	2,890,228	2,863,321	7,321,790	6,945,065	8,638,655	9,445,929	8,244,229	6,115,589	7,206,960
Total all other governmental funds	$ 2,526,254	$ 5,537,541	$ 5,683,797	$ 9,909,727	$ 10,831,496	$ 13,217,821	$ 14,538,608	$ 13,038,450	$ 10,623,074	$ 11,936,995

Data Source
Audited financial statements

Village of Lincolnshire

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Property taxes	$ 4,282,221	$ 2,589,086	$ 2,583,554	$ 2,649,279	$ 2,745,210	$ 2,784,047	$ 2,816,049	$ 2,734,390	$ 2,933,796	$ 2,814,452
Other taxes	9,136,539	9,353,713	10,305,871	9,285,552	8,725,617	10,209,346	10,070,681	7,034,562	8,973,734	11,451,677
Licenses and permits	509,493	748,840	737,474	756,480	1,121,642	758,710	747,996	630,646	596,948	763,836
Fines and penalties	385,465	333,321	250,543	259,083	247,652	201,801	274,271	235,999	268,385	328,143
Charges for services	93,395	21,714	12,220	8,286	18,345	-	-	-	-	-
Intergovernmental	760,494	853,432	804,611	882,978	956,892	912,229	1,048,699	1,527,098	1,518,275	1,534,995
Investment income	46,530	(38,994)	55,477	76,024	85,826	164,322	462,206	411,223	(8,317)	(257,644)
Donations	-	20,000	16,520	-	1,514,978	1,168,032	776,797	224,727	145,186	64,031
Miscellaneous	84,015	119,826	146,024	180,018	281,384	135,585	127,494	144,133	104,462	105,097
Total revenues	15,298,152	14,000,938	14,912,294	14,097,700	15,697,546	16,334,072	16,324,193	12,942,778	14,532,469	16,804,587
Expenditures										
General government	2,073,589	2,522,842	2,628,626	2,508,311	2,039,025	2,082,316	2,385,912	2,317,682	2,369,909	2,385,579
Public safety	4,635,965	3,799,528	3,991,885	4,304,427	4,515,505	4,333,803	4,725,305	4,443,593	4,789,607	4,863,516
Community and economic development	495,107	486,420	974,500	835,438	1,048,711	1,117,437	953,511	849,983	775,406	1,082,529
Public works	2,561,912	1,306,404	1,318,348	1,455,855	1,509,507	1,556,583	1,678,488	1,655,982	1,585,591	1,482,159
Parks and open spaces	1,101,484	1,244,687	1,289,239	1,338,020	1,362,750	1,340,583	1,348,021	1,256,355	1,302,399	1,346,075
Capital outlay	1,623,311	1,944,395	1,603,970	1,867,559	1,511,922	1,761,842	1,320,950	2,814,014	2,625,917	1,276,378
Debt service:										
Principal	2,602,195	756,009	787,446	1,052,236	853,858	415,000	440,000	470,000	495,000	530,000
Interest	1,007,690	878,273	844,605	818,642	770,845	734,756	707,813	679,375	649,219	617,188
Total expenditures	16,101,253	12,938,558	13,438,619	14,180,488	13,612,123	13,342,320	13,560,000	14,486,984	14,593,048	13,583,424
Excess (deficiency) of revenues over expenditures	(803,101)	1,062,380	1,473,675	(82,788)	2,085,423	2,991,752	2,764,193	(1,544,206)	(60,579)	3,221,163
Other Financing Sources (uses)										
Transfers in	929,253	4,580,612	1,435,360	6,345,955	599,101	2,800,000	2,021,935	1,566,409	776,536	2,337,494
Transfers (out)	(2,019,653)	(4,652,715)	(2,317,300)	(6,232,737)	(1,626,101)	(3,400,000)	(2,771,935)	(1,837,311)	(3,176,536)	(3,656,822)
Proceeds from sale of capital assets	(4,348,562)	19,665	10,235	21,599	-	1,844	-	-	-	17,000
Total other financing sources (uses)	(5,438,962)	(52,438)	(871,705)	134,817	(1,027,000)	(598,156)	(750,000)	(270,902)	(2,400,000)	(1,302,328)
Net change in fund balances	$ (6,242,063)	$ 1,009,942	$ 601,970	$ 52,029	$ 1,058,423	$ 2,393,596	$ 2,014,193	$ (1,815,108)	$ (2,460,579)	$ 1,918,835
Debt Service as a Percentage of Noncapital Expenditures	24.03%	14.56%	12.88%	14.37%	12.81%	9.41%	8.63%	9.85%	8.59%	8.64%

Data Source
Audited financial statements

Village of Lincolnshire

Principal Property Taxpayers
Current Year and Nine Years Ago

	2022			2013		
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	$ 19,321,985	1	2.86%	$ 15,692,134	1	2.79%
Sedgebrook Propco SL VII LLC	16,688,982	2	2.47%			
IHP Tri-State Asset, LLC	15,807,471	3	2.34%			
SR DE I LLC	11,687,470	4	1.73%			
RYAN LLC	6,903,782	5	1.02%			
GRIFFIN LINCOLNSHIRE ESSENTIAL	6,788,477	6	1.00%			
LA-RFMBG LINCOLNSHIRE, LLC	6,530,452	7	0.97%			
Lincolnshire Propco LLC	6,265,965	8	0.93%			
325 Marriott Drive LLC	5,958,453	9	0.88%			
TSJ Lincolnshire Property LLC	5,316,052	10	0.79%			
Van Vlissingen & Company				14,533,703	2	2.59%
Lincolnshire Senior Care LLC				14,811,703	3	2.64%
GA Tri-State Office Park, LLC				14,219,963	4	2.53%
Property Tax Unit-N16WC				12,271,734	5	2.18%
Strategic Hotel Cap, Inc.				8,218,978	6	1.46%
Inland Western Half Day Rd LLC				6,854,749	7	1.22%
Milbrook, Inc.				4,409,672	8	0.79%
ECD Company				5,916,971	9	1.05%
GGP- Lincolnshire LLC				5,531,776	10	0.98%
Total	$ 101,269,089		14.98%	$ 102,461,383		18.23%

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	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Food	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2	$ 3
General merchandise	59	92	203	194	242	269	213	115	125	188
Drinking and eating places	974	986	1,029	1,013	1,073	1,334	1,332	734	1,008	1,261
Apparel	159	143	141	133	143	152	131	50	87	104
Furniture	754	623	715	637	739	944	827	551	472	787
Lumber, building hardware	38	41	42	63	76	52	54	58	36	46
Automobile and filling stations	100	80	76	64	78	184	87	69	106	135
Drugs and miscellaneous retail	399	408	122	222	250	249	450	524	846	710
Agriculture and all others	1,684	1,865	2,075	1,265	364	412	482	269	426	574
Manufacturers	36	17	10	24	11	24	21	16	26	37
Total	$ 4,203	$ 4,255	$ 4,413	$ 3,615	$ 2,976	$ 3,620	$ 3,597	$ 2,347	$ 3,134	$ 3,847
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%	1.00%	1.00%	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]
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%
2021	0.50%	0.50%	1.00%	5.00%	1.00%	1.00%
2022	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: Special Service Area Bonds	Governmental Activities: Consolidated North Park/ Schelter Road Loan	Business-Type Activities: Utility Line Loan	Business-Type Activities: General Obligation Bonds	Total Primary Government	Percentage of Personal Income[1]	Per Capita[1]
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
2021	10,140,000	-	-	-	10,140,000	1.56%	1,277
2022	9,610,000	-	-	4,065,000	13,675,000	2.03%	1,722

[1] See the Schedule of Demographic and Economic Statistics on page 133 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) General Bonded Debt	Percentage of Estimated Actual taxable Value of Property	Per Capita
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
2021	10,140,000	0.52%	1,277
2022	13,675,000	0.67%	1,722

Data Source

(1) Audited financial statements

Village of Lincolnshire

Direct and Overlapping Bonded Debt - Governmental Activities
December 31, 2022

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	$ 84,145,000	2.5%	$ 2,071,907
Elementary School District No. 102	16,535,000	10.5%	1,743,335
Elementary School District No. 103	6,395,000	53.1%	3,394,006
Elementary School District No. 106	-	1.2%	-
Deerfield/ Bannockburn Fire District	-	0.2%	-
Long Grove Fire Protection District	-	2.0%	-
Lincolnshire/ Riverwoods Fire Protection District	-	47.8%	-
High School District No. 113	117,485,000	0.1%	69,801
High School District No. 125	47,840,000	17.9%	8,573,292
Vernon Area Public Library	-	24.9%	-
Buffalo Grove Park District	10,327,000	0.1%	13,415
Township of Vernon	-	16.7%	-
Township of West Deerfield	-	0.1%	-
Lake County	155,595,000	2.3%	3,653,047
Lake County Forest Preserve	166,060,000	2.3%	3,898,743
Total overlapping debt	604,382,000		23,417,546
Direct Debt			
Village of Lincolnshire	4,065,000	100.0%	4,065,000
Total direct and overlapping debt	$ 608,447,000		$ 27,482,546

Data Sources
Lake County Extension Office

Village of Lincolnshire

Legal Debt Margin Information
December 31, 2022

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 - 2022*	$ 676,002,635
Non-Home Rule Legal Debt Limit - 8.625%	$ 58,305,227
Amount of debt applicable to limit	(4,065,000)
Legal Debt Margin	$ 54,240,227

* Most Recent EAV Available

Village of Lincolnshire

Demographic and Economic Information
Last Ten Fiscal Years

Fiscal Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Unemployment Rate
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%
2021	7,940	651,778	82,088	5.1%
2022	7,940	674,257	84,919	4.0%

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	2022 Employees	2022 Rank	2022 % of Total Village Population	2013 Employees	2013 Rank	2013 % of Total Village Population
Aon-ALight	1,200	1	8.0%	4,203	1	16.8%
CDW	1,211	2	8.1%			
Hydraforce, Inc.	1,047	3	7.0%	940	3	3.8%
Zebra Technologies	977	4	6.5%			
Adlai E. Stevenson High School	607	5	4.0%	1,034	2	4.1%
Sedgebrook	453	6	3.0%	362	8	1.4%
Quill Corporation	400	7	2.7%	520	6	2.1%
Lincolnshire- Prairie View School D103	349	8	2.3%			
Sysmex	312	9	2.1%			
Areimark Interactive	249	10	1.7%			
Marriott Resort				415	7	1.7%
Walgreens				660	4	2.6%
W.W. Grainger				600	5	2.4%
Wealshire				300	9	1.2%
Klein Tools, Inc.				260	10	1.0%
Total	6,805		45.4%	9,294		37.2%
Corporate Day Time Population (est.)			15,000			25,000

Data Source

Village of Lincolnshire Community & Economic Development Department (2022)
Village of Lincolnshire- 2013 ACFR
Village of Lincolnshire Community & Economic Development- Corporate day time population estimate

Village of Lincolnshire

Full-Time Equivalent Employees
Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2021
General Government										
Administration	3.20	3.25	3.25	2.35	2.10	1.60	2.10	3.10	3.10	3.10
Finance	2.40	3.50	3.50	2.90	2.90	2.90	2.90	2.90	2.65	2.65
Public Safety										
Police	28.00	29.00	29.00	28.00	28.00	28.00	29.00	27.50	27.00	27.00
E911	4.20	-	-	-	-	-	-	-	-	-
Community and Economic Development										
Development	5.75	5.75	5.75	4.00	4.00	4.50	4.50	4.00	4.00	4.00
Public Works										
Administration	2.00	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75
Streets	4.25	4.50	4.50	4.25	4.75	4.75	4.75	5.50	5.50	5.50
Buildings and grounds	0.50	-	-	-	-	-	-	-	-	-
Water	7.75	6.00	6.00	7.45	7.25	7.25	7.25	7.50	7.25	7.25
Vehicle maintenance	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25
Forestry	-	-	-	-	-	-	-	-	-	-
Parks and Open Spaces										
Parks	8.1	10.8	10.8	10.6	10.1	10.1	9.8	6.0	6.5	6.0
Total	68.43	66.75	66.75	63.58	63.13	63.13	64.30	60.50	60.00	59.50

Data Source

Operating Budget-Personnel Summary By Department-FTE

Village of Lincolnshire

Operating Indicators
Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
Village Board meetings	50	48	49	51	47	47	50	47	75	72
Ordinances prepared	33	41	42	40	32	35	36	49	40	36
Resolutions prepared	8	10	11	8	8	19	17	15	11	11
Newsletter/resident mailings	4	4	5	4	4	4	4	3	4	4
E-News messages sent	64	77	98	70	75	82	86	119	93	96
E-News subscribers	1,043	1,212	1,793	1,550	1,633	1,490	1,517	1,622	3,206	3,316
Facebook likes	166	222	497	655	1,129	1,345	1,808	1,994	2,700	2,987
Twitter followers	-	-	400	455	819	924	1,071	1,200	1,281	1,351
Finance										
Accounts payable checks	1,768	1,994	1,939	2,000	2,155	1,874	1,823	1,663	1,685	1,670
Accounts payable direct deposits	-	11	200	260	331	382	381	386	475	597
Payroll checks	208	237	149	136	99	78	63	44	88	49
Payroll direct deposits	1,870	1,939	1,976	1,679	1,956	1,946	2,003	2,014	1,860	1,755
% utility auto withdrawal	0%	22%	23%	29%	35%	37%	39%	41%	43%	44%
Utility payments by credit card	-	-	-	-	-	1,196	1,794	2,301	2,972	3,802
Utility payments by text	-	-	-	-	-	76	163	175	198	224
% utility e-bills	0%	0%	0%	0%	4%	8%	10%	12%	18%	23%
Police										
Calls for service	19,743	14,219	14,023	24,781	26,314	25,276	35,157	32,771	26,624	22,457
Total reports	1,950	1,500	959	839	875	963	1,694	1,347	1,092	1,037
Arrests (includes traffic)	429	231	188	304	300	346	503	548	470	463
DUI arrests	85	45	34	26	48	37	33	44	34	42
DUI conviction rate	0%	0%	0%	0%	95%	95%	48%	32%	62%	57%
FBI Part I crimes	-	-	-	-	77	79	115	97	73	52
FBI Part I crimes cleared	0%	0%	0%	0%	11%	12%	2%	13%	5%	8%

Village of Lincolnshire

Operating Indicators
Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Community Development										
Plan reviews:										
Building consultant	-	-	-	94	54	35	9	5	6	116
Building official	-	-	-	219	326	288	278	280	292	222
Code enforcement	-	-	-	37	85	84	86	64	71	92
Elevators	-	-	-	14	6	13	3	7	2	4
Village engineer	-	-	-	318	293	186	258	244	265	278
Fire reviews	-	-	-	139	126	129	106	95	78	129
Forestry	-	-	-	320	2	3	-	1	1	5
Life safety	-	-	-	-	-	1	15	11	10	11
Planning	-	-	-	122	73	66	82	66	88	131
Public works	-	-	-	19	-	13	-	-	-	-
Tree removals	-	-	-	-	267	229	228	285	250	226
Total	-	-	-	1,282	1,232	1,047	1,065	1,058	1,063	1,214
Zoning Board development reviews	8	13	10	8	6	3	6	9	9	13
Architectural Review Board reviews	7	11	10	21	16	10	22	12	19	19
Building permits issued	369	359	368	926	672	617	635	580	663	441
Taxable property transfers	179	145	161	147	193	150	171	177	243	204
No. of Inspections*	847	885	944	1,480	1,967	1,303	1,885	1,188	1,303	1,651
Valuation (thousands)*	20,712	45,137	41,173	25,992	68,060	31,051	26,744	24,300	27,783	37,472
New com/office/warehse bldgs.	2	1	2	-	4	1	1	1	-	-
New housing units	9	14	6	45	31	14	28	19	17	6
Sq. ft. new com. bldgs. (thousands)	-	-	-	-	-	-	-	5	-	-
Sq. ft. new off/warehse. bldgs. (thousands)	-	-	-	-	-	186,616	-	-	69,149	20,417
Insurance/Common Expense										
Property/liability claims processed	3	3	3	5	-	1	2	2	2	2
Auto liability processed	3	5	4	-	1	4	4	1	-	1
Workers compensation claims processed	10	11	5	8	8	1	12	2	1	1
Public Works-Administration										
Capital project management:										
% capital expend./capital dollars allocated	0%	0%	0%	88%	86%	87%	80%	57%	58%	46%
Sitework permit reviews:										
Average length to review site-work permits (days)	-	-	7.8	9.0	8.9	7.9	8.0	8.0	11.5	15.0

Village of Lincolnshire

Operating Indicators
Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Public Works-Streets										
Project inspections	251	172	140	229	184	122	163	197	143	153
Maintain street posts and signs:										
Village signs, repaired	-	-	-	-	-	100	100	100	77	100
Maintain Village streets:										
Street resurfaced (miles)	1.05	0.95	0.95	0.62	0.97	0.85	0.98	1.50	1.99	1.62
Tons of asphalt patching	-	-	-	-	-	27.2	11.9	14.3	7.0	9.1
Pothole repairs by staff	-	-	-	12	16	82	110	92	73	85
Street cleaned (miles)	372	357	267	360	360	360	360	360	287	287
Flood prevention:										
Staff hrs spent on flood prevention	-	-	-	-	-	556	500	491	252	250
Hours of pump usage	-	-	-	-	-	960	1,000	1,152	-	-
Times pumps deployed	-	-	-	-	-	5	6	6	1	1
Sewer maintenance:										
% of catch basin system cleaned	0%	0%	0%	0%	0%	10%	10%	10%	4%	5%
Linear feet of storm sewer lined	-	-	-	-	-	530	550	-	-	-
% storm sewer system inspected	0%	0%	0%	0%	0%	10%	12%	12%	0%	10%
Catch basins repaired	-	-	-	-	-	34	30	19	30	15
Right-of-way leaf collection:										
Cubic yards of leaves collected	7,100	6,942	7,064	6,495	5,100	5,100	5,920	5,760	5,520	5,920
Cost per cubic yard for collection/removal	-	-	-	-	-	30.20	40.00	24.00	7.97	-
Annual leaf collection expense	-	-	-	-	N/A	154,000	145,000	134,000	43,987	-
Snow and ice control:										
Snow events	-	-	-	-	12	19	24	14	22	21
Staff hrs spent on snow/ice control	-	-	1,039	693	559	1,284	1,575	735	1,144	1,017
Salt used (tons)	-	-	-	272.5	-	586.2	872.2	414.3	678.0	545.0
Customer service:										
Avg days to complete street service request						6.8	7.2	7.1	8.8	19.2

Village of Lincolnshire

Operating Indicators
Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Public Works-Parks										
Trees planted	205	138	181	97	110	190	190	190	16	147
Playground inspection (hours)	137	65	84	108	24	80	25	36	72	72
Special event (hours)	1,052	854	1,184	1,375	593	660	616	21	220	494
Review and issue tree removal permits:										
Avg days to review permit	$ -	$ -	$ -	$ 25	$ 25	$ 6	$ 10	10	3	5
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	64	147
Trees removed- contractual	-	-	-	268	240	375	344	117	150	140
Trees removed- by staff	-	-	-	22	21	22	25	79	64	75
% Trees pruned per 8 year cycle	100%	100%	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	-	-	-	-	-	10.3	10.2	10.0	10.0	17.3
Public Works-Buildings										
Maintain Village Hall building:										
HVAC service calls, emergency	-	-	-	2	3	5	5	3	7	5
HVAC service calls, budgeted	-	-	-	4	4	4	4	4	1	4
Maintain Public Works building:										
HVAC service calls, emergency	-	-	-	1	2	2	2	3	2	2
HVAC service calls, budgeted	-	-	-	4	4	4	4	4	4	4

Village of Lincolnshire

Operating Indicators
Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Public Works-Water and Sewer										
Avg daily pumpage metered:										
(millions of gallons)	1.390	1.276	1.286	1.341	1.310	1.330	1.197	1.199	1.222	1.300
JULIE utility locates	2,237	2,302	2,991	3,017	3,460	3,400	3,271	2,702	2,781	2,398
Accounts Serviced	-	-	-	-	2,546	2,452	2,605	2,566	2,665	2,655
Utility Permits	-	-	-	-	91	56	90	172	53	29
Maintain valves:										
% of water valves exercised	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Utility concerns:										
Appointments	-	-	-	219	311	337	316	349	865	945
Maintain fire hydrants:										
Fire hydrants repaired or replaced	-	-	-	12	21	25	25	25	6	5
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	3,000	1,500
Maintain water delivery:										
Water main breaks	-	-	-	-	-	11	9	13	12	9
Equivalent Dwelling Unit (EDU)										
Connections	-	-	5	105	350	330	49	22	31	34
Public Works-Vehicle Maintenance										
Maintain fleet vehicles:										
% of vehicles maintained per	0%	0%	0%	100%	100%	100%	100%	100%	100%	100%
Village preventative maintenance schedule:										
Fleet work orders	-	-	-	216	315	337	214	231	278	244
Cost per police squad	$ -	$ -	$ -	$ -	$ -	$ 1,093	$ 812	$ 1,235	$ 633	$ 633

Village of Lincolnshire

Operating Indicators
Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police Pension										
Unfunded Liability EAN**	2,040,149	2,568,985	4,837,151	4,797,235	5,248,868	5,335,420	6,843,600	6,749,000	6,324,000	4,552,607
Funded %- EAN**	89.8%	87.7%	80.1%	80.8%	80.2%	80.7%	76.9%	77.8%	80.2%	86.1%
Funded %- PUC**	89%	91%	91%	90%	90%	85%	81%	81%	84%	89%
(Actuarial asset) 12/31	13.5%	6.6%	4.7%	5.4%	6.7%	3.3%	5.6%	9.3%	10.0%	4.1%
(Market value) 12/31	13.4%	2.6%	-1.4%	-6.9%	13.8%	-6.5%	18.3%	14.7%	9.5%	-15.0%
Max % equity investments	65%	65%	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	24	23	23	23	22	21	24	24	25	25
Normal retirees	10	10	11	11	12	14	15	15	15	16
Beneficiaries	1	1	1	1	1	1	1	1	1	1
Disabled retirees	3	2	3	3	3	3	2	2	2	2
Terminated/separated	-	3	2	2	2	3	4	3	4	6
Total	38	39	40	40	40	42	46	45	47	50
Participants:										
Police tier 1 participants	22	20	19	19	19	15	16	15	15	12
Police tier 2 participants	2	3	4	4	3	6	8	9	10	13
Total	24	23	23	23	22	21	24	24	25	25

Data Source

Village of Lincolnshire 2022 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	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police										
Patrol units	15	15	14	16	15	15	14	15	15	14
Stations	1	1	1	1	1	1	1	1	1	1
Public Works										
Streets (miles)	40	35	35	41	41	41	41	41	41	41
Building facilities maintained	6	6	6	6	6	5	5	5	5	5
Parks and Recreation										
Acreage	311.0	311.0	311.0	311.0	181.0	182.0	182.0	182.0	182.0	182.0
Parks	9	9	9	9	9	11	11	11	11	11
Baseball/softball diamonds	6	6	6	6	7	7	7	7	7	7
Water, Sanitary Sewer										
Fire hydrants	854	859	859	869	877	877	898	898	902	944
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)	62.2	61.0	61.0	64.4	67.0	67.0	67.0	67.0	72.0	74.7
Sanitary sewers (miles)	50.0	45.0	45.0	47.5	47.6	47.6	47.6	47.6	56.0	56.0
Storm sewers (miles)	105.0	101.0	101.0	101.0	101.2	101.2	101.2	101.2	101.2	101.2

Data Source

Various village departments