VILLAGE OF

LINCOLNSHIRE

Annual Comprehensive Financial Report

For the Year Ended December 31, 2023

VILLAGE OF LINCOLNSHIRE, ILLINOIS

ANNUAL COMPREHENSIVE
FINANCIAL REPORT

For the Year Ended
December 31, 2023

Prepared by Finance Department

Matt Rossi
Finance Director

VILLAGE OF LINCOLNSHIRE, ILLINOIS
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INTRODUCTORY SECTION

VILLAGE OF LINCOLNSHIRE, ILLINOIS

PRINCIPAL OFFICIALS

December 31, 2023

Mayor

Elizabeth Brandt

Village Board

Dr. Mara Grujanac
Robert Mitchell
Veronica Pantelis
Jill Raizin
Dr. Sandra Wright
Joe Kelly

Village Clerk

Barbara Mastandrea

* * * * * *

Village Manager

Bradly Burke

Finance Director/Village Treasurer

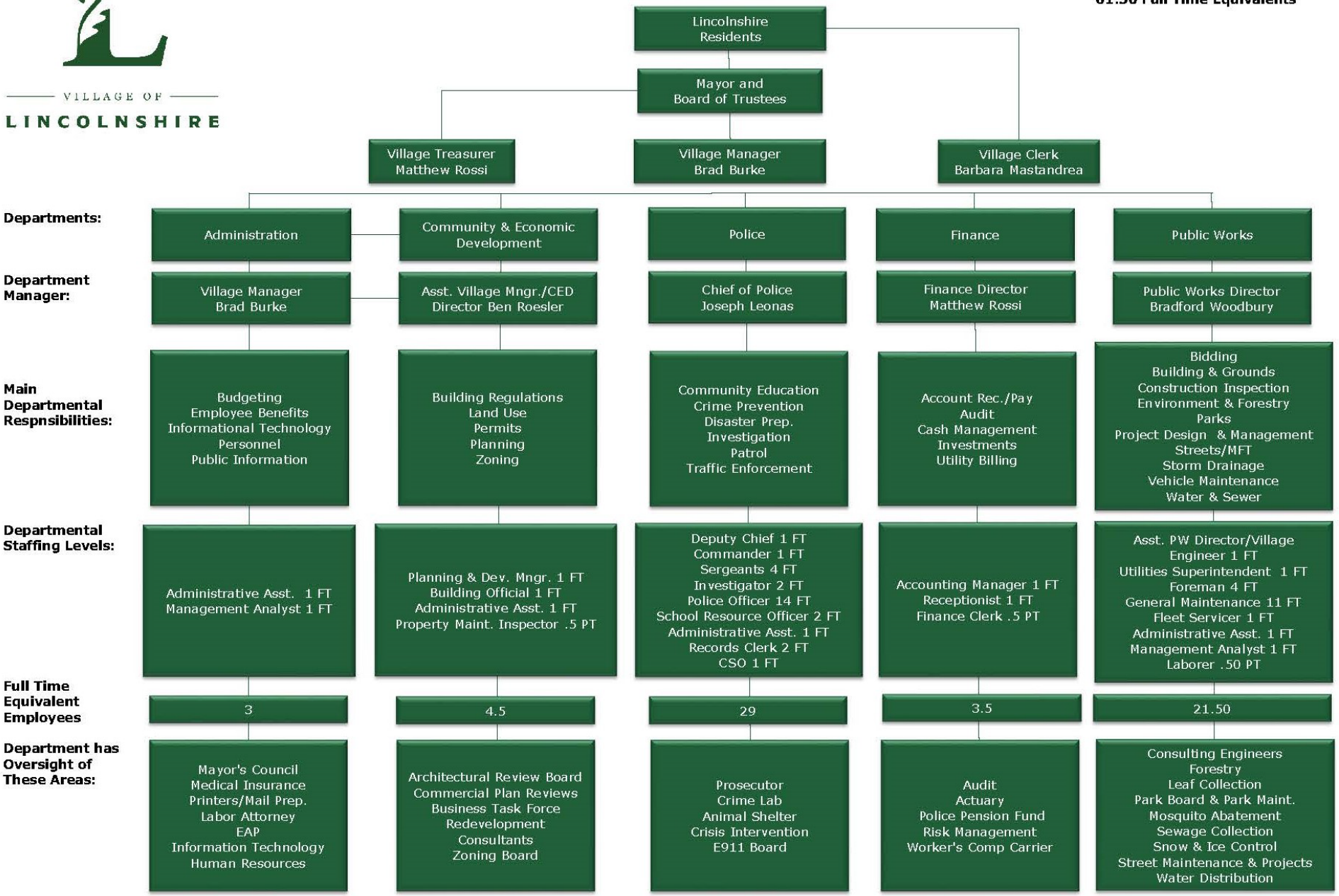
Matt Rossi

Organizational Chart

VILLAGE OF LINCOLNSHIRE

Village of Lincolnshire
Organizational Chart
Effective 1/4/2023

60 Full Time Employees
1.50 Part Time or Seasonal Employees
61.50 Full Time Equivalents



VILLAGE OF
LINCOLNSHIRE

May 20, 2024

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, 2023.

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 the 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.

Sikich CPA LLC, Independent Certified Public Accountants, have issued an unmodified opinion on the Village's financial statements for the fiscal year ended December 31, 2023. 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 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 20,000.

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

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

The Village provides a full range of services including police protection; community and economic development; construction and maintenance of the Village's streets and other infrastructure. It is also 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 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, the Village opted to delay the project to 2024. The Village implemented a storm sewer fee in 2022 which is included on 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 100% of the expense budget will be spent. This prudent practice has led to a healthy General Fund *Fund Balance* which complies with the Village's fund balance policy.

Key Village Indicators and Fiscal Trends
(dollars in millions)

Fiscal Year End	2023	2022	2021	2020	2019	2018	2017	2016	2015
EAV (million)	$694	$676	$655	$657	$667	$659	$644	$625	$586
Gen Fund Revenue	$14.9	$14.9	$12.6	$10.9	$14.1	$13.3	$12.2	$11.6	$12.3
Gen Fund Balance	75%	79%	75%	75%	75%	80%	74%	124%	125%

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 2.8% in total EAV from 2022 to 2023. This comes after a 3.2% increase from 2021 to 2022. Since 2014, Lincolnshire's EAV has increased $131 million (23%) 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 67% of the total revenue for the FY23 General Fund. These sources and their respective budget increases/ -decreases over FY22 are as follows: Sales Tax (8%), Utility Tax (-11%), Income Tax (-12%) Room Tax (15%), and Property Tax (8%). These revenue sources have returned to their pre-pandemic levels. The Village estimates a $7 million loss in general fund revenue because of the COVID-19 pandemic from 2020 through 2023.

The 2024 budget reflects an increase in the property tax rate from 0.25 to 0.29. This is the first rate increase in three years. The new rate comprises 3% of the total property tax bill paid by residents in the community. Due to significant increases from the Village's water supplier, the combined water and sanitary sewer rates increased 10% in 2024. The Village board also approved an increase to the Hotel Tax rate from 5% to 6% (effective July 1, 2024) and expanded the definition of 'Amusement Tax' in the Village Code to capture

revenue from other businesses. All other tax percentages are to remain the same in 2024 as they were in 2023. 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 FY24 Budget anticipates a transfer of $2.0 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.

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 12/31/2023, 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 an $8.5 million balance reserved for capital.

To maintain a 75% general fund balance in FY2024, the General Fund budget includes a draw from the General Capital Fund reserve. In recent years, the Village initiated "belt-tightening" measures, 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 2023 strategic goals to promote the Village Board's vision of providing outstanding public services in a fiscally conservative manner. Village staff also completed the tenth 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 achieved even in light of the uncertainty regarding the financial position of the State of Illinois and impacts of the COVID-19 pandemic.

In terms of the Village's enterprise system, water rates increased 5.0%, and sewer rates increased 5.0% in FY2023. 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 Village has been in the process of replacing all parks and Village entryway signage for multiple years. The installation and completion of this project is expected to occur in 2024. The 2024 budget also includes a $4 million capital project on the east side of town to replace and upsize storm sewer, replace watermain, and repave roads. This project will be completed in 2025.

Development Initiatives

In 2023, 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, north of Half Day Road. As of December 2023, 14 certificates of occupancy and 15 permits were issued. Construction was completed in the fall of 2023 and only one home remains unsold.

- **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. Full occupancy is scheduled for 2024.

- 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 because of the COVID-19 pandemic. The property has not sold as of December 2023. TSJ has finished building demolition and site clearance activities in preparation for future development.

- The 26-acre former **Lietzau Farm** property at 15730 Aptakisic Road received the Village's preliminary subdivision approval in December 2023. **Panattoni Development Company** proposed two speculative warehouse buildings totaling approximately 400,000 sq.ft. The developer needs to file for the approval of the final plat of subdivision by December 2024 or seek a one-time extension.

- **Carlson Labs** continues building renovations on the 30-acre corporate campus property at 100 Schelter Road formerly occupied by Quill. The company intends to move into the facility in 2024.

The following ten (14) businesses opened in Lincolnshire in 2023:

- **Child First Academy**, a daycare center (12,000 sq.ft.) - 675 Milwaukee Avenue
- **Drop the Bop**, a restaurant (1,800 sq.ft.) - 910 Milwaukee Avenue
- **Gameday Your Way**, a ticket sale company (1,135 sq.ft.) - 100 Tri-State International
- **Good Sushi**, a restaurant (1,601 sq.ft.) - 255 Parkway Drive
- **Lift Salon & Spa** (1,550 sq.ft.) - 10 Marriott Drive
- **Plenty of Huevos**, a restaurant (4,000 sq.ft.) - 300 Village Green
- **Red Wing Shoes**, a retail store (1,477 sq.ft.) - 900 Milwaukee Avenue
- **Sola Salons**, beauty suites (5,697 sq.ft.) - 970 Milwaukee Avenue
- **Stretch Zone,** a fitness business (1,200 sq.ft.) - 910 Milwaukee Avenue
- **Tesla Collision Center** (44,774 sq.ft.) - 675 Heathrow Drive
- **The Birchstone**, a banquet venue (10,000 sq.ft.) - 200 Barclay Boulevard
- **Thrive Wealth Group**, financial advisors (3,122 sq.ft.) - 200 Tri-State International
- **Vista Link Heath**, a medical clinic (3,610 sq.ft.) - 100 Tri-State International
- **XVP Studios**, a video production company (24,276 sq.ft.) - 640 Margate Drive

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 Shannon Latham, 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

FINANCIAL SECTION

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Members of American Institute of Certified Public Accountants

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Naperville, IL 60563
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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor
Members of the Board of Trustees
Village of Lincolnshire, Illinois

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Lincolnshire, Illinois (the Village), as of and for the year ended December 31, 2023, and the related notes to financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Lincolnshire, Illinois, as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village of Lincolnshire, Illinois, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards , we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Sikich CPA LLC

Naperville, Illinois
May 20, 2024

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

VILLAGE OF LINCOLNSHIRE, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2023

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, 2023 (FY2023). 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, 2023 by $107.1 million (net position). Of this amount, $2.0 million represents the unrestricted net position, which is needed to meet the government's ongoing obligations to citizens and creditors. In prior years the unrestricted net position has held a negative balance 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 balance as of 12/31/2023 is positive due to other assets outperforming the liability sustained from GASB 68 & 75.

- The Village's total net position increased by $1.2 million during the twelve months ended December 31, 2023. The net position associated with "governmental activities" increased $1.8 million. The largest contributing factors for the increase relates to decreases in long term liabilities and deferred inflows.

  The business-type $1.2 million "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 Net Position decrease of $634,673 is due to operating revenues narrowly exceeding operating expenses in the Water & Sanitary Sewer Fund. Once depreciation expense is added into the formula, a net decrease occurs. The decrease was offset with a $155,000 subsidy from the General Fund to the Water and Sanitary 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 $21.5 million, an increase of $1.5 million, or 7.6%, in comparison with the prior fiscal period. The components of the combined fund balance consist of seven different funds; three of which are considered "major" and four considered "non-major." The General Capital Fund compromises the largest share of the Village combined fund balance at 40.0%; the General Fund is second at 36.3% 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 $7.8 million fund balance held in the General Fund, 84.4% of it is available spending at the government's discretion (classified as "unassigned").

- At the end of FY2023; the General Fund unassigned fund balance represents $6,568,327. The General Fund unrestricted fund balance comprises approximately 75.0% of the General Corporate Fund FY2023 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 $1.5 million to bring the balance to $8.6 million. This large increase can be attributed to the transfer of funds from the General Fund to the General Capital Fund due to the General Fund revenues exceeding budget expectations by $1.7 million. The increase in the General Capital Fund can also be attributed to inability to execute on budgeted capital projects for a multitude of reasons. The Village continued to budget its 2023 General Fund revenues conservatively due to the ongoing recovery from the economic impact of COVID-19.

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 readers in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify Village 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 iii-ix 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, reflects 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 to amortize capital expenditures (through depreciation) when benefits are realized.

The first government-wide statement is the *Statement of Net Position* presenting information about all Village assets, deferred inflows, liabilities, and deferred outflows, with the difference reported as *net position.* Over multiple years, an increase or decrease in net position can detect improvement or deterioration in the Village's financial position as a whole. For a complete picture an evaluation of non-financial factors, such as the condition of Village infrastructure, constituent satisfaction, and information beyond this report's scope to make complete assessment of whether the Village as a whole has improved would be needed.

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 purpose of this report 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 costs through user fees and charges. Governmental activities include general government, public safety, and public services. Public services encompass repair and maintenance of streets and storm drainage systems along with parks and ground care. Special Service Areas are also included in the governmental activities. Business-type activities include the water and sewer (sanitary and storm) utilities. 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 4-7 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, aggregate presentation. Individual fund data for non-major funds is provided in 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 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 amounts invested in maintaining and improving infrastructure. These two perspectives provide insight into 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 8-11 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 encompass the same functions reported as business-type activities in the government-wide statements. Enterprise fund services are 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 Village's sole 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 12-16.

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 17-18.

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 19.

Other information
In addition to the basic financial statements and accompanying notes, this report also presents 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 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 65.

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 $107.1 million at the close of Fiscal Year 2023.

The largest portion of the Village's net position is 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	
	2022	2023	2022	2023	2022	2023
Current and Other Assets	$25,980,003	$26,709,479	$6,687,720	$6,931,217	$32,667,723	$33,640,696
Capital Assets	$60,364,049	$60,037,735	$41,985,112	$40,148,387	$102,349,161	$100,186,122
Deferred Outflows of Resources	$4,684,810	$5,017,543	$112,650	$516,037	$4,797,460	$5,533,580
Total Assets and Deferred Outflows	$91,028,862	$91,764,757	$48,785,482	$47,595,641	$139,814,344	$139,360,398
Other Liabilities	$3,305,531	$3,170,057	$1,378,521	$748,656	$4,684,052	$3,918,713
Long-Term Liabilities	$17,921,939	$19,279,777	$3,563,162	$4,382,407	$21,485,101	$23,662,184
Deferred Inflows of Resources	$6,927,109	$4,606,656	$772,380	$27,832	$7,699,489	$4,634,488
Total Liabilities and Deferred Inflows	$28,154,579	$27,056,490	$5,714,063	$5,158,895	$33,868,642	$32,215,385
Net Position						
Investment in Capital Assets Net of Related Debt	$60,364,049	$60,037,735	$41,764,440	$40,120,125	$102,128,489	$100,157,860
Restricted	$6,203,091	$4,946,303	0	0	$6,203,091	$4,946,303
Unrestricted	($3,692,847)	($275,771)	$1,306,979	$2,316,621	($2,385,868)	$2,040,850
Total Net Position	$62,874,293	$64,708,267	$43,071,419	$ 42,436,746	$105,945,712	$107,145,013

For Fiscal Year 2023, 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.

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	
	2022	2023	2022	2023	2022	2023
REVENUES:						
Program Revenues:						
Charges for Services Operate Grants & Contr Capital Grants & Contr	2,016 1,141 0	1,993 464 0	6,497 0 47	6,828 0 0	8,513 1,140 47	8,821 464 0
General Revenue:						
Property Taxes	2,814	2,948			2,814	2,948
Other Taxes	10,997	10,527			10,997	10,527
Miscellaneous	-85	415			-85	415
Interest Income	-61	684	43	151	-18	836
Total Revenues	**16,822**	**17,031**	**6,587**	**6,979**	**23,409**	**24,011**
EXPENSES:						
General Government	2,561	3,107			2,561	3,107
Public Safety	4,842	5,158			4,842	5,158
Comm & Econ Development	862	1,200			862	1,200
Public Works	1,936	2,216			1,936	2,216
Parks & Open Spaces	1,885	2,336			1,885	2,336
Interest	606	586			606	585
Water and Sewer			6,248	7,349	6,248	7,350
Storm Sewer			**721**	860	**721**	860
Total Expense	**12,692**	**14,603**	**6,969**	**8,209**	**19,660**	**22,812**
Inc (Dec) in assets before transfers	4,130	2,429	(382)	(1,230)	3,749	1,199
Transfers	(8,294)	(595)	8,294	595	0	0
Inc (Dec) in Net Position	(4,165)	1,834	7,913	(635)	3,749	1,199
Net Position - Beginning	67,039	62,874	35,158	43,071	102,197	105,946
Net Position - Ending	$62,874	$64,708	$43,071	$42,436	$105,946	$107,145

Government Activities

During the current Fiscal Year, net position for governmental activities increased $1.8 million (2.9%) from the Net Position at the start of the fiscal year for an ending balance of $64,708,267. The increase in overall net position of governmental activities is reflected in the above condensed Statement of Activities.

Revenue:

Total revenues increased $227,212 from $16.8 million (FY2022) to $17.0 million (FY2023).

Property taxes represent approximately 17.3% 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 increased 4.7% from $2,814,452 (FY2022) to $2,947,554 (FY2023). The Village's equalized assessed valuation increased 3.19% from $655,076,868 to $676,002,635 for Tax Year 2021 (Fiscal Year 2022) and Tax Year 2022 (Fiscal Year 2023), respectively.

The Illinois Department of Revenue reports the Village of Lincolnshire's sales tax revenue increased $321,771 from 2022. The largest sales tax categories include Drinking & Eating ($1,284,495), Agriculture ($933,494), and Furniture ($821,000).

Lincolnshire's other tax revenues posting 2023 gains over 2022 include: Sales Tax $166,188 (8.2%); Home Rule Sales Tax $158,830 (8.8%); Room Tax $221,336 (14.7%); Telecommunications Tax $5,943 (0.7%). Numerous tax revenues posted decreases when comparing 2022 to 2023 including Income Tax $153,787 (-11.8%); Real Estate Transfer Tax $657,982 (-65.4%), and Utility Tax $140,321 (-11.2%). 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 FY2023, 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 FY2023 services rendered were $387,116; up 6.6% or $24,043 from FY2022. This increase was due to the additional services requested during summer hours and the 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 Village began providing part time police traffic enforcement for the Village of Mettawa in 2023. The agreement between Lincolnshire and Mettawa calls for the Lincolnshire Police Department to provide the Village of Mettawa with approximately 10 hours of weekly traffic enforcement. Lincolnshire is reimbursed by Mettawa for these services on a monthly basis.

The "second tier" revenue sources (non-taxes) were up $852,096 (102.1%) from FY2022. This increase was led by the Village's investment income which saw an increase of $941,951 from $-257,644 in 2022 to $684,307 in Fiscal Year 2023. Revenue generated from licenses & permits saw an increase of $54,626 (7.2%) while fines & forfeitures saw a decrease of $144,481 (-44.0%) from Fiscal Year 2022. Annual new privately owned housing units started in the U.S. decreased from 1.55 million in 2022 to 1.41 million units in 2023, down 9%.

As of December 2023, the US Consumer Price Index (CPI) reflected a 3.2% increase from December 2022, highlighting the ongoing concerns about inflation in the United States. 2022 saw seven rate increases, driving the federal fund rate from 0.25% in January 2022 to 4.50% in December 2022. In 2023, there were four additional rate hikes, each raising the rate by 25 basis points. The last increase, in July 2023, brought the federal fund rate to 5.50%, where it remained as of December 31, 2023.

Expenses:

The Village's Governmental Activities expenses increased $1.9 million (15.1%) from the prior year; $12.7 million in FY2022 compared to $14.6 million in FY2023.

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 2023, the actuary recommended contribution was $865,903. In order to avoid future pension liabilities, the Village opted to levy and contribute an amount above the actuary recommendation. The total contribution amount in 2023 was $235,217 greater than the actuary recommendation at $1.1 million. The Village set its property tax levy in December 2022, collected it in 2023, and direct deposited into the Police Pension Fund. In 2022, the Village consolidated 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 legislation passed in 2019. The consolidation of all Article 3 assets allows for a more diversified investment portfolio and is anticipated to result in a higher return on investment and lower employer contributions in the long term. Pension funding specifics can be found in Note 11a on pages 48-54.

Business-Type Activities

Business-type activities decreased the Village's net position by $634,673. The Village implemented a Storm Sewer Operating Fund and the Storm Sewer Improvement Fund in 2022. All storm sewer related activity was accounted for in governmental activities prior to 2022. 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 $849,372 in 2023.

Revenues:

Operating revenues increased $365,538 (5.7%); from $6,446,022 in FY2022 compared to $6,811,560 in FY2023. Revenue associated with the Storm Sewer Fund accounted for $968,812 of the total business type revenue. FY2023 also saw an increase in water & sanitary sewer rates of 5%.

The amount of new residential construction has decreased in recent years with the exception of a couple very small subdivisions. There was a total of 6 customer utility accounts added in 2023. 2023 customer account increases came primarily from the addition units located in the Manors of Whytegate subdivision. The year ended with 2,675 units; with 2,417 residential and 258 commercial accounts. Lincolnshire's water and sewer rates increased 5.0% from the prior year.

Expenses:

Depreciation for the water & sewer system increased by $97,874 (4.9%) to $2,097,081 for 2023.

The Village reports the Water/Sewer and Internal Service Fund (Governmental Activities) as proprietary funds. The Water/Sewer Fund is considered a "major fund." Water is purchased from the City of Highland Park at a rate of $4.54 per thousand gallons. This is an increase of 10.5% from the prior year. Wastewater treatment service is provided under a contractual agreement with Lake County Public Works at a rate of $4.86 (effective December 1, 2023) per thousand gallons of water usage, up 3.8% from 2022. The Village charges all municipal customers based on tiered structure; a higher usage will result in a higher rate. The minimum rate of $15.42 combined water & sewer rate per 1,000 gallons increases to a maximum $21.49 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 municipal waterworks and sewage system operations, 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 residents' summer sanitary sewer charge does not exceed 10% above their average non-summer period (September to May).

The proprietary funds' operating expenses increased (17.6%) from the prior year; $6,968,965 in FY2022 compared to $8,209,360 in FY2023. This increase can be largely contributed to interfund transfers and the interest payment due on the series 2022 bonds.
As noted previously, 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, is presented below.

WATER & SANITARY SEWER OPERATING RESULTS FROM FY2020 TO FY2023				
	2020	2021	2022	2023
Water: Rate per 1,000 gallons	$6.83	$7.17	$7.53	$7.91
Sewer: Rate per 1,000 gallons	$6.49	$6.81	$7.15	$7.51
Operating Revenue	$4,838,791	$5,390,672	$5,485,500	$5,842,748
Operating Expenses (includes depreciation)	$6,798,795	$6,542,141	$6,248,224	$7,349,758

As part of the FY2023 budget, the Village increased its water usage fees by 5.0% and sanitary sewer fees 5.0%. These rates became effective for the February 1, 2023, billing date. Rate increases from the Village's water supplier have become a regular occurrence, while large increases from the sanitary sewer provider are less frequent. To fund water & sanitary sewer capital projects, a subsidy from the General Fund is typically needed.

STORM SEWER OPERATING RESULTS FROM FY2020 TO FY2023				
	2020	2021	2022	2022
Storm Sewer Rate per REU	$0	$0	$6.44	$6.44
Operating Revenue	$0	$0	$960,522	$968,812
Operating Expenses (includes depreciation)	$0	$0	$569,136	$709,511

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 a 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 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, 2023, the Village's governmental fund balance reported a combined ending fund balance of $21.4 million. This was an increase of $1.5 million (7.6%) 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, Home Rule Sales Tax, Food & Beverage Tax, and Room Tax. After multiple years of declining revenue because of the COVID-19 pandemic, multiple General Fund revenue sources have returned to levels not seen since 2019.

The General Fund's $6.56 million unassigned fund balance is the largest portion of the $7.7 million General Fund balance. FY2023 represents the tenth year of the Village implementing the General Capital Fund. A portion of the governmental fund balance is restricted; $8.57 million or 40.0%, 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 $2.31 million restricted fund balance of the SSA Debt Service Fund makes it the third largest portion of the governmental fund balance at 10.8%. The fund balances classified as "non-spendable" and "restricted" are $1,208,304 and $4,946,303 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. The net change to the General Fund's fund balance was a decrease of $213,687 or -2.7%, 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 FY2023, the General Fund transfer to General Capital Projects Fund was $2,250,000.

The Village calculates a fund balance ratio, considering 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 FY2023 budget revenue reveals total General Fund revenues were 13.3% above FY2023 Final Budget or $1,742,751. Total actual expenditures $11,652,629 were 3.1% below the $12,029,877 budget or $377,248

GENERAL OPERATING FUND BALANCE			
FISCAL YEAR	TOTAL FUND BALANCE	OPERATING EXPENSES	FUND BALANCE AS % OF OPER. EXP.
12/31/2020	$7,130,475	$8,960,131	79.6%
12/31/2021	$6,903,718	$9,247,462	74.7%
12/31/2022	$7,303,772	$9,520,296	76.7%
12/31/2023	$7,621,071	$10,146,307	75.1%

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 2023.

The total combined fund balance of the four non-major governmental funds increased $188,353 from $2.59 million to $2.78 million. A decrease occurred in the Park Development Fund ($-321,945) as it lacks a stable revenue source. The Motor Fuel Tax Fund saw a decrease of $317,124 due to use of funds for a capital project. The Fraud Alcohol Drug Enforcement Fund saw a minor increase of $496. The Village reinstated its E911 Fund in 2023 which is classified as a non-major fund. The E911 Fund ended the fiscal year with a fund balance of $926,926 as noted in the Combining Statement of Revenues, Expenditures and Changes in Fund Balances for non-major governmental funds.

Proprietary Funds

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

Net Position of the Water & Sewer Fund decreased $1,305,367 (-307%) from $35.56 million in FY2022 to $34.25 million in FY2023. The unrestricted net position increased $104,197 (11.9%) for FY2023. 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 is transferred to Water/ Sewer Improvement Fund for planned infrastructure projects.

The net position of the Storm Sewer Fund is $8,186,245. The unrestricted portion is $979,534 for FY2023.

General Fund Budgetary Highlights

On February 27, 2023, the Village Board approved the annual appropriations ordinance for the Village of Lincolnshire for Fiscal Year 2023. The annual Appropriation Ordinance provides formal authority for expenditure of public funds. Historically, the Village has passed an Appropriation Ordinance where the operating line items are appropriated at 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 to properly transfer funds out of the General Fund in order to not exceed the 75% fund balance in FY2023. 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	$1,764,931	$1,786,144	$21,213
Other Taxes	$9,848,000	$10,527,089	$679,089
Licenses and permits	$652,100	$818,462	$166,362
Fines and Forfeitures	$228,000	$183,166	($44,834)
Intergovernmental	$491,100	$610,182	$119,082
Investment Income	$100,000	$635,492	$535,492
Miscellaneous	$51,800	$318,046	$266,246
TOTAL REVENUES	$13,135,931	$14,878,581	$1,742,650
Expenditures:			
General Government	$2,665,642	$2,470,195	($195,447)
Public Safety	$5,136,004	$5,006,349	($129,655)
Comm & Econ Dev.	$1,189,658	$1,169,033	($20,625)
Public Works	$1,635,049	$1,564,281	($70,768)
Parks & Open Spaces	$1,403,524	$1,442,771	$39,247
TOTAL EXPENDITURES	$12,029,877	$11,652,629	($377,248)

The Village Board, as part of the 2023 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 $60,037,735. This is a decrease of $326,314 from the prior fiscal year due to the depreciation of assets exceeding additions.

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

- Construction in Progress
  - Park & Entryway Sign Design and Installation
  - Spring Lake Park Bridge
  - Village Hall HVAC Replacement

- Disposed Assets
  - None

- Equipment/Vehicles purchased
  - Board Room AV Upgrade
  - Wheel Balancer
  - Fleet AC Machine
  - Three Police Vehicles

- Building and parking improvements- none

- Easements- none

- Land- none

- Land Improvements - none

- Parks- none

- 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 $40,120,125.

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 - None

- Water main - None

- Sanitary Sewer- None

- Storm Sewer - None

Debt

The Village debt consists of one municipal bond obligation related to the Special Service Area (SSA) project and one general obligation bond in the Storm Sewer 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 three 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. The use of some form of debt may be necessary for the other capital projects. The Village is hopeful to receive grant funding to partially offset the total cost of the capital projects

At the end of the fiscal year, the Village's SSA related debt amounted to $9.0 million while the series 2022 debt amounted to $3.3 million. This is a decrease of 10% from 2022.

OUTSTANDING DEBT AT YEAR END DECEMBER 31						
Type of Debt	Government Activities		Business Activities		Totals	
	2022	2023	2022	2023	2022	2023
Bond Issue-SSA	$9,610,000	$9,050,000	$0	$0	$9,610,000	$9,050,000
Business Type General Obligation	$0	$0	$4,065,000	$3,315,000	$4,065,000	$3,315,000
Total	$9,610,000	$9,050,000	$4,065,000	$3,315,000	$13,675,000	$12,365,000

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 1.78% 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 infrastructure by use of excess reserves from the General Fund and has historically sought bank loans for large projects. In April 2022, the Village sought a credit rating to complete its series 2022 debt issuance to fund storm sewer capital projects. In May 2022, The Village received an 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 several 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 2023 and 2022 was as follows: Village Green (2023 – 92%; 2022 - 91%); Lincolnshire Commons (2023 – 79%; 2022 - 84%); and City Park (2023 – 37%; 2022 – 26%). The overall retail occupancy in the Village was 31% in the first quarter of 2023 versus 41% in the first quarter of 2022.

Lincolnshire's office occupancy rate was 26% in the first quarter of 2023, compared to 24% in the first quarter of 2022. Lincolnshire's industrial occupancy rate was 1% in the first quarter of 2023 and 18% in the first quarter of 2022.

Below is an overview of commercial and industrial activity in the Village as of December 2023:

- 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, north of Half Day Road. As of December 2023, 14 certificates of occupancy and 15 permits were issued. Construction was completed in the fall of 2023 and only one home remains unsold.

- **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. Full occupancy is scheduled for 2024.

- 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 because of the COVID-19 pandemic. The property has not sold as of December 2023. TSJ finished building demolition and site clearance activities in preparation for future development.

- The 26-acre former **Lietzau Farm** property at 15730 Aptakisic Road received the Village's preliminary subdivision approval in December 2023. **Panattoni Development Company** proposed two speculative warehouse buildings totaling approximately 400,000 sq.ft. The developer needs to file for the approval of the final plat of subdivision by December 2024 or seek a one-time extension.

- **Carlson Labs** continues building renovations on the 30-acre corporate campus property at 100 Schelter Road formerly occupied by Quill. The company intends to move into the facility in 2024.

The following fourteen (14) businesses opened in Lincolnshire in 2023:

- **Child First Academy**, a daycare center (12,000 sq.ft.) - 675 Milwaukee Avenue
- **Drop the Bop**, a restaurant (1,800 sq.ft.) - 910 Milwaukee Avenue
- **Gameday Your Way**, a ticket sale company (1,135 sq.ft.) - 100 Tri-State International
- **Good Sushi**, a restaurant (1,601 sq.ft.) - 255 Parkway Drive
- **Lift Salon & Spa** (1,550 sq.ft.) - 10 Marriott Drive
- **Plenty of Huevos**, a restaurant (4,000 sq.ft.) - 300 Village Green
- **Red Wing Shoes**, a retail store (1,477 sq.ft.) - 900 Milwaukee Avenue
- **Sola Salons**, beauty suites (5,697 sq.ft.) - 970 Milwaukee Avenue
- **Stretch Zone,** a fitness business (1,200 sq.ft.) - 910 Milwaukee Avenue
- **Tesla Collision Center** (44,774 sq.ft.) - 675 Heathrow Drive
- **The Birchstone**, a banquet venue (10,000 sq.ft.) - 200 Barclay Boulevard
- **Thrive Wealth Group**, financial advisors (3,122 sq.ft.) - 200 Tri-State International
- **Vista Link Heath**, a medical clinic (3,610 sq.ft.) - 100 Tri-State International
- **XVP Studios**, a video production company (24,276 sq.ft.) - 640 Margate Drive

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 FY2023 in a more favorable financial position than it did at the start of the year. Net change to both funds combined increased $1.3 million. This increase can be attributed to General Fund revenues exceeding budget expectations along with the inability to execute on budgeted capital projects for a multitude of reasons.

Real estate transfer tax stamp revenue decreased 65% from $1,005,721 in FY2022 to $347,739 in FY2023. The transfer tax revenue collected in FY2022 was abnormally high due to the sale of multiple commercial properties with high values. The total number of property sales decreased from 210 in 2022 to 143 in 2023.

FY 2023	Real Estate Transfer Tax Stamps Sold	Real Estate Transfer Tax Stamp Revenue	Real Estate Sales Value
Single Family	91	$221,262	$73,747,718
Condo Units	30	$37,443	$12,479,400
Townhomes	14	$19,230	$6,408,800
Land	3	$3,435	$1,145,000
Commercial	5	$66,369	$22,121,431
TOTALS	143	$347,739	$115,902,349

The Lincolnshire equalized assessed valuation (EAV) increased 2.77% in tax year 2023 or $18.7 million compared to 2022. The 2023 EAV (which is used for the property tax collected in Fiscal Year 2024) is $694,698,152. The last 10 years of EAV history can be found below.

Tax Year	Collection Year	EAV
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
2023	2024	$694,698,152

- The unemployment rate (not seasonally adjusted) for December 2023; according to the Bureau of Labor Statistics was 4.8% in Lake County. The rate in the State of Illinois for the same time period was 4.7% and the U.S. rate was 3.7%.

- According to United States Census Bureau, Lincolnshire's 2022 per capita income was $89,689; while the median household income was $155,395.

BUDGET HIGHLIGHTS FOR FISCAL YEAR 2024.

General Fund

Seven types of revenue sources account for 70.2% of the total budgeted revenues for the FY2024 General Fund. These sources and their respective budget increases/ -decreases over FY2023 are as follows: Sales Tax (9.2%), Home Rule Sales Tax (10.3%), Utility Tax (-7.80%), Telecommunication Tax (-17.0%), Room Tax (16.7%) Admissions Tax (-68.2%), and Property Tax (19.3%). The 2024 budget reflects an increase in the property tax budget due to an increase to the Village's EAV along with a rate increase from 0.25 to 0.29. Although the Village increased its property tax rate by 16%, Lincolnshire remains the lowest Municipal property tax rate in Lake County of all Municipalities that levy a property tax.

Excluding transfers and debt service, the General Fund expense budget increased $560,055 (4.7%) from $12.0 million in FY2023 to $12.6 million in FY2024. Notable expenditure increases include Police Salaries $240,000, IT Consultant Contractual Services $56,000 as a result of increased service, Economic Development Incentives $50,000 due to increased sales tax revenue; and Police Contractual Overtime Expenses $56,000 due to an agreement with Mettawa to assist in patrolling. The largest decrease comes from Police Pension contributions due to a decrease in the Village's required contribution. The General Fund FY2024 budget anticipates a $2,000,000 transfer in from the General Capital Fund, a $2,400,000 transfer out to the Water/ Sewer Improvement Fund, and a $440,000 transfer to the Storm Sewer Operating Fund.

The Village Board voted to implement multiple changes which will affect the total General Fund tax revenue collected in 2024. Included in the changes was an increase in the amusement tax effective Jan 1, 2024, to expand the definition of amusement, and also increase the rate to 5% for all amusement activities excluding live theater which remains at 1.5%. The Village Board also approved an increase to the hotel/motel tax from 5% to 6%. The final tax change effective in FY2024 was an increase in the property tax rate from 0.25 to 0.29. Even with the increase in the property tax rate, the Village maintains the status of lowest municipal property tax rate in Lake County amongst all municipalities levying a property tax.

The Fiscal Year 2024 Budget contemplates implementation of $2,700,300 in General Capital improvement projects. The Village continues its commitment to capital improvements to the Village infrastructure. General capital projects budgeted in FY2024 include:

- Replacement of three Police Department vehicles
- Purchase of a tow behind blower
- Replacement of a towable message board
- Replacement of two Public Works vehicles and replacement of the dump body on a third vehicle
- Road resurfacing
- Replacement of garbage cans at North Park
- Conversion of tennis courts to pickleball courts at North Park
- Resurfacing of bike paths
- Replace bridge at Spring Lake Park
- Replacement of garbage cans at Spring Lake Park
- Replacement of Village Entryway and Park Entrance signs
- Replacement of Village Hall kiosk sign
- Removal and Replacement of underground storage tank at Public Works
- Replacement of A/C compressor at Village Hall Facility
- Redesign and installation of landscaping at the Village Hall entryway circle
- Improvement of HVAC equipment at Public Works
- Refinish and replacement of the Public Works shop floor and trench drain

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.

BASIC FINANCIAL STATEMENTS

VILLAGE OF LINCOLNSHIRE, ILLINOIS

STATEMENT OF NET POSITION

December 31, 2023

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	$ 3,390,578	$ 1,671,241	$ 5,061,819
Investments	15,837,222	4,391,748	20,228,970
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	3,219,480	-	3,219,480
Other taxes	2,063,242	-	2,063,242
Accounts	117,499	845,301	962,800
Accrued interest	39,813	-	39,813
Internal balances	(500)	500	-
Prepaid expenses	162,475	22,427	184,902
Deposits	826,926	-	826,926
Land held for resale	1,052,744	-	1,052,744
Capital assets not being depreciated	44,508,291	1,175,793	45,684,084
Capital assets (net of accumulated depreciation)	15,529,444	38,972,594	54,502,038
Total assets	86,747,214	47,079,604	133,826,818
DEFERRED OUTFLOWS OF RESOURCES			
Pension items - IMRF	1,634,102	516,037	2,150,139
Pension items - Police Pension	3,383,441	-	3,383,441
Total deferred outflows of resources	5,017,543	516,037	5,533,580
Total assets and deferred outflows of resources	91,764,757	47,595,641	139,360,398
LIABILITIES			
Accounts payable	840,646	599,550	1,440,196
Accrued payroll	158,885	14,338	173,223
Deposits payable	914,464	-	914,464
Accrued interest payable	188,636	10,217	198,853
Noncurrent liabilities			
Due within one year	1,067,426	124,551	1,191,977
Due in more than one year	19,279,777	4,382,407	23,662,184
Total liabilities	22,449,834	5,131,063	27,580,897
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue	3,219,480	-	3,219,480
Pension items - IMRF	88,119	27,832	115,951
Pension items - Police Pension	1,299,057	-	1,299,057
Total deferred inflows of resources	4,606,656	27,832	4,634,488
Total liabilities and deferred inflows of resources	27,056,490	5,158,895	32,215,385

(This statement is continued on the following page.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

STATEMENT OF NET POSITION (Continued)

December 31, 2023

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
NET POSITION			
Net investment in capital assets	$ 60,037,735	$ 40,120,125	$ 100,157,860
Restricted for			
Debt service	2,316,991	-	2,316,991
Maintenance of roadways	468,988	-	468,988
Public safety	960,010	-	960,010
Park improvements	1,200,314	-	1,200,314
Unrestricted (deficit)	(275,771)	2,316,621	2,040,850
TOTAL NET POSITION	$ 64,708,267	$ 42,436,746	$ 107,145,013

See accompanying notes to financial statements.

VILLAGE OF LINCOLNSHIRE, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2023

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	$ 3,106,960	$ 358,703	$ -	$ -
Public safety	5,157,915	1,185,515	69,136	-
Community and economic development	1,200,278	395,735	-	-
Public works	2,215,691	19,200	365,280	-
Parks and open spaces	2,336,467	33,700	29,879	-
Interest	585,514	-	-	-
Total governmental activities	14,602,825	1,992,853	464,295	-
Business-Type Activities				
Water and sewer	7,349,758	5,859,533	-	-
Storm sewer	859,602	968,812	-	-
Total business-type activities	8,209,360	6,828,345	-	-
TOTAL PRIMARY GOVERNMENT	$ 22,812,185	$ 8,821,198	$ 464,295	$ -

	Net (Expense) Revenue and Change in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	$ (2,748,257)	$ -	$ (2,748,257)
	(3,903,264)	-	(3,903,264)
	(804,543)	-	(804,543)
	(1,831,211)	-	(1,831,211)
	(2,272,888)	-	(2,272,888)
	(585,514)	-	(585,514)
	(12,145,677)	-	(12,145,677)
	-	(1,490,225)	(1,490,225)
	-	109,210	109,210
	-	(1,381,015)	(1,381,015)
	(12,145,677)	(1,381,015)	(13,526,692)
General Revenues			
Taxes			
Property	2,947,554	-	2,947,554
Sales	2,188,369	-	2,188,369
Local use	321,083	-	321,083
Utility	1,117,290	-	1,117,290
Telecommunications	916,332	-	916,332
Food and beverage	677,845	-	677,845
Room and admissions	1,848,031	-	1,848,031
Real estate transfer	347,739	-	347,739
Home rule sales tax	1,960,399	-	1,960,399
Income tax	1,150,001	-	1,150,001
Investment income	684,307	151,342	835,649
Miscellaneous	415,701	-	415,701
Transfers in (out)	(595,000)	595,000	-
Total	13,979,651	746,342	14,725,993
CHANGE IN NET POSITION	1,833,974	(634,673)	1,199,301
NET POSITION, JANUARY 1	62,874,293	43,071,419	105,945,712
NET POSITION, DECEMBER 31	$ 64,708,267	$ 42,436,746	$ 107,145,013

See accompanying notes to financial statements.

VILLAGE OF LINCOLNSHIRE, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

December 31, 2023

	General Corporate	Special Service Area Debt Service	General Capital Projects	Nonmajor Governmental	Total
ASSETS					
Cash and cash equivalents	$ 974,090	$ 941,360	$ 316,644	$ 1,021,894	$ 3,253,988
Investments	5,027,885	1,375,631	8,523,809	909,897	15,837,222
Receivables (net, where applicable, of allowances for uncollectibles)					
Property taxes	2,056,043	1,163,437	-	-	3,219,480
Other taxes	2,032,252	-	-	30,990	2,063,242
Accounts	77,423	-	40,030	46	117,499
Accrued interest	39,813	-	-	-	39,813
Prepaid items	155,560	-	-	-	155,560
Deposits	-	-	-	826,926	826,926
Land held for resale	1,052,744	-	-	-	1,052,744
TOTAL ASSETS	$ 11,415,810	$ 3,480,428	$ 8,880,483	$ 2,789,753	$ 26,566,474
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable	$ 511,395	$ -	$ 303,043	$ 9,072	$ 823,510
Accrued payroll	156,777	-	-	-	156,777
Deposits payable	914,464	-	-	-	914,464
Due to other funds	500	-	-	-	500
Total liabilities	1,583,136	-	303,043	9,072	1,895,251
DEFERRED INFLOWS OF RESOURCES					
Unavailable tax revenue	2,056,043	1,163,437	-	-	3,219,480
Total liabilities and deferred inflows of resources	3,639,179	1,163,437	303,043	9,072	5,114,731
FUND BALANCES					
Nonspendable in form - prepaid items	155,560	-	-	-	155,560
Nonspendable in form - land held for resale	1,052,744	-	-	-	1,052,744
Restricted for debt service	-	2,316,991	-	-	2,316,991
Restricted for maintenance of roadways	-	-	-	468,988	468,988
Restricted for public safety	-	-	-	960,010	960,010
Restricted for park improvements	-	-	-	1,200,314	1,200,314
Unrestricted		-			
Assigned for capital projects	-	-	8,577,440	151,369	8,728,809
Unassigned	6,568,327	-	-	-	6,568,327
Total fund balances	7,776,631	2,316,991	8,577,440	2,780,681	21,451,743
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 11,415,810	$ 3,480,428	$ 8,880,483	$ 2,789,753	$ 26,566,474

See accompanying notes to financial statements.

VILLAGE OF LINCOLNSHIRE, ILLINOIS

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

December 31, 2023

FUND BALANCES OF GOVERNMENTAL FUNDS	$ 21,451,743
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	60,037,735
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
SSA bonds payable	(9,050,000)
Compensated absences	(375,393)
Accrued interest on long-term liabilities is shown as a liability on the statement of net position	(188,636)
The net pension liability of the Police Pension Fund are included in the governmental activities in the statement of net position	(6,203,612)
Net pension liability for the Illinois Municipal Retirement Fund is shown as a liability on the statement of net position	(2,570,142)
The total OPEB liability is shown as a liability on the statement of net position	(1,865,121)
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings are recognized as deferred outflows and inflows of resources in the statement of net position	
IMRF	1,423,931
Police Pension	2,084,384
The net position of the internal service fund is included in the governmental activities in the statement of net position	(36,622)
NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 64,708,267

See accompanying notes to financial statements.

VILLAGE OF LINCOLNSHIRE, ILLINOIS

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

For the Year Ended December 31, 2023

	General Corporate	Special Service Area Debt Service	General Capital Projects	Nonmajor Governmental	Total
REVENUES					
Property taxes	$ 1,786,144	$ 1,161,410	$ -	$ -	$ 2,947,554
Other taxes	10,527,089	-	-	-	10,527,089
Licenses, permits and fees	818,462	-	-	-	818,462
Fines and forfeitures	183,166	-	-	496	183,662
Intergovernmental	610,182	-	-	814,963	1,425,145
Investment income	635,492	28,747	-	20,068	684,307
Donations	-	-	-	29,879	29,879
Miscellaneous	318,046	-	97,655	-	415,701
Total revenues	14,878,581	1,190,157	97,655	865,406	17,031,799
EXPENDITURES					
Current					
General government	2,470,195	-	-	-	2,470,195
Public safety	5,006,349	-	-	226,770	5,233,119
Community development	1,169,033	-	-	-	1,169,033
Public works	1,564,281	-	-	687,943	2,252,224
Parks and recreation	1,442,771	-	-	-	1,442,771
Capital outlay	-	-	1,187,940	-	1,187,940
Debt service					
Principal retirement	-	560,000	-	-	560,000
Interest and fiscal charges	-	597,087	-	-	597,087
Total expenditures	11,652,629	1,157,087	1,187,940	914,713	14,912,369
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	3,225,952	33,070	(1,090,285)	(49,307)	2,119,430
OTHER FINANCING SOURCES (USES)					
Transfers in	600,000	-	2,606,979	594,639	3,801,618
Transfers (out)	(4,039,639)	-	-	(356,979)	(4,396,618)
Total other financing sources (uses)	(3,439,639)	-	2,606,979	237,660	(595,000)
NET CHANGE IN FUND BALANCES	(213,687)	33,070	1,516,694	188,353	1,524,430
FUND BALANCES, JANUARY 1	7,990,318	2,283,921	7,060,746	2,592,328	19,927,313
FUND BALANCES, DECEMBER 31	$ 7,776,631	$ 2,316,991	$ 8,577,440	$ 2,780,681	$ 21,451,743

See accompanying notes to financial statements.

VILLAGE OF LINCOLNSHIRE, ILLINOIS

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

For the Year Ended December 31, 2023

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	$ 1,524,430
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	
Capital assets purchased	772,094
The repayment of the principal portion of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	
SSA bonds	560,000
The change in interest payable is reported as an expense on the statement of activities	11,573
Some expenses in the statement of activities (e.g., depreciation) does not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	(1,098,408)
The change in net position of internal service fund is reported as an increase of expense on the statement of activities	67,987
The change in net pension liabilities are reported only on the statement of activities	
Illinois Municipal Retirement Fund	(3,448,559)
Police Pension	928,360
The change in total OPEB liability are reported only on the statement of activities	(186,299)
The change in deferred inflows and outflows or resources for is reported only in the statement of activities	
Illinois Municipal Retirement Fund	3,348,126
Police Pension	(633,011)
The change in certain long-term assets and liabilities does not require the use of current financial resources but is reported as expenses on the statement of activities	
Compensated absences	(12,319)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 1,833,974

See accompanying notes to financial statements.

VILLAGE OF LINCOLNSHIRE, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

December 31, 2023

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water and Sanitary Sewer	Storm Sewer	Total	Internal Service
CURRENT ASSETS				
Cash and cash equivalents	$ 1,288,476	$ 382,765	$ 1,671,241	$ 136,590
Investments	454,489	3,937,259	4,391,748	-
Receivables				
Accounts - billed	357,888	80,725	438,613	-
Accounts - unbilled	406,688	-	406,688	-
Due from other funds	500	-	500	-
Prepaid expenses	22,322	105	22,427	6,915
Total current assets	2,530,363	4,400,854	6,931,217	143,505
CAPITAL ASSETS				
Nondepreciable	189,684	986,109	1,175,793	-
Depreciable (net of accumulated depreciation)	32,723,730	6,248,864	38,972,594	-
Net capital assets	32,913,414	7,234,973	40,148,387	-
Total assets	35,443,777	11,635,827	47,079,604	143,505
DEFERRED OUTFLOWS OF RESOURCES				
Pension items - IMRF	451,532	64,505	516,037	129,011
Total deferred outflows of resources	451,532	64,505	516,037	129,011
CURRENT LIABILITIES				
Accounts payable	560,734	38,816	599,550	17,136
Accrued payroll	12,504	1,834	14,338	2,108
Accrued interest	-	10,217	10,217	-
General obligation bonds payable	-	75,000	75,000	-
Compensated absences payable	27,674	5,597	33,271	4,778
OPEB liability	14,110	2,170	16,280	5,427
Total current liabilities	615,022	133,634	748,656	29,449
LONG-TERM LIABILITIES				
General obligation bonds payable	-	3,240,000	3,240,000	-
Net pension liability - IMRF	771,051	110,152	881,203	220,303
OPEB liability	234,379	26,825	261,204	52,427
Total long-term liabilities	1,005,430	3,376,977	4,382,407	272,730
Total liabilities	1,620,452	3,510,611	5,131,063	302,179

(This statement is continued on the following page.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

STATEMENT OF NET POSITION (Continued)
PROPRIETARY FUNDS

December 31, 2023

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water and Sanitary Sewer	Storm Sewer	Total	Internal Service
DEFERRED INFLOWS OF RESOURCES				
Pension items - IMRF	$ 24,356	$ 3,476	$ 27,832	$ 6,959
Total deferred inflows of resources	24,356	3,476	27,832	6,959
NET POSITION				
Net investment in capital assets	32,913,414	7,206,711	40,120,125	-
Unrestricted (deficit)	1,337,087	979,534	2,316,621	(36,622)
TOTAL NET POSITION (DEFICIT)	$ 34,250,501	$ 8,186,245	$ 42,436,746	$ (36,622)

See accompanying notes to financial statements.

VILLAGE OF LINCOLNSHIRE, ILLINOIS

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

For the Year Ended December 31, 2023

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water and Sanitary Sewer	Storm Sewer	Total	Internal Service
OPERATING REVENUES				
Charges for services	$ 5,825,145	$ 968,812	$ 6,793,957	$ 580,785
Miscellaneous	17,603	-	17,603	-
Total operating revenues	5,842,748	968,812	6,811,560	580,785
OPERATING EXPENSES				
Administration	618,523	204,001	822,524	-
Operations	4,495,924	-	4,495,924	-
Repairs and maintenance	464,162	179,578	643,740	512,798
Total operating expenses	5,578,609	383,579	5,962,188	512,798
OPERATING INCOME BEFORE DEPRECIATION	264,139	585,233	849,372	67,987
Depreciation	1,771,149	325,932	2,097,081	-
OPERATING INCOME (LOSS)	(1,507,010)	259,301	(1,247,709)	67,987
NON-OPERATING REVENUES (EXPENSES)				
Investment income	29,858	121,484	151,342	-
Interest expense and fiscal charges	-	(150,091)	(150,091)	-
Connection fees	16,785	-	16,785	-
Total non-operating revenues (expenses)	46,643	(28,607)	18,036	-
NET INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(1,460,367)	230,694	(1,229,673)	67,987
TRANSFERS				
Transfers (out)	(600,000)	-	(600,000)	-
Transfers in	755,000	440,000	1,195,000	-
Total transfers	155,000	440,000	595,000	-
CHANGE IN NET POSITION	(1,305,367)	670,694	(634,673)	67,987
NET POSITION (DEFICIT), JANUARY 1	35,555,868	7,515,551	43,071,419	(104,609)
NET POSITION (DEFICIT), DECEMBER 31	$ 34,250,501	$ 8,186,245	$ 42,436,746	$ (36,622)

See accompanying notes to financial statements.

VILLAGE OF LINCOLNSHIRE, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended December 31, 2023

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water and Sanitary Sewer	Storm Sewer	Total	Internal Service
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	$ 5,855,848	$ 971,674	$ 6,827,522	$ -
Receipts from interfund services	-	-	-	580,785
Payments to suppliers	(4,605,420)	(294,691)	(4,900,111)	(356,481)
Payments to employees	(834,343)	(99,453)	(933,796)	(165,711)
Payments to other funds	(58,077)	-	(58,077)	-
Other income	17,603	-	17,603	-
Net cash from operating activities	375,611	577,530	953,141	58,593
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers	155,000	440,000	595,000	-
Connection fees	16,785	-	16,785	-
Change in interfund balances	(500)	-	(500)	-
Net cash from noncapital financing activities	171,285	440,000	611,285	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital assets purchased	(4,032)	(228,062)	(232,094)	-
Principal payments	-	(750,000)	(750,000)	-
Interest payments	-	(152,438)	(152,438)	-
Net cash from capital and related financing activities	(4,032)	(1,130,500)	(1,134,532)	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	9,772	1	9,773	-
Net cash from investing activities	9,772	1	9,773	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	552,636	(112,969)	439,667	58,593
CASH AND CASH EQUIVALENTS, JANUARY 1	735,840	495,734	1,231,574	77,997
CASH AND CASH EQUIVALENTS, DECEMBER 31	$ 1,288,476	$ 382,765	$ 1,671,241	$ 136,590

(This statement is continued on the following page.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUNDS

For the Year Ended December 31, 2023

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water and Sanitary Sewer	Storm Sewer	Total	Internal Service
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	$ (1,507,010)	$ 259,301	$ (1,247,709)	$ 67,987
Adjustments to reconcile operating income (loss) to net cash from operating activities				
Depreciation	1,771,149	325,932	2,097,081	-
(Increase) decrease in				
Receivables	30,703	2,862	33,565	-
Prepaid expense	3,543	(36)	3,507	(892)
Increase (decrease) in				
Accounts payable	59,907	(20,982)	38,925	(13,440)
Accrued payroll	(1,488)	241	(1,247)	(1,498)
Compensated absences payable	(35,876)	1,138	(34,738)	1,116
Pension items	30,130	4,305	34,435	8,611
OPEB items	24,553	4,769	29,322	(3,291)
NET CASH FROM OPERATING ACTIVITIES	$ 375,611	$ 577,530	$ 953,141	$ 58,593
NONCASH TRANSACTIONS				
Capital assets financed by accounts payable	$ -	$ 28,262	$ 28,262	$ -
Unrealized gain on investments	(20,086)	(121,483)	(141,569)	-
Total noncash transactions	$ (20,086)	$ (93,221)	$ (113,307)	$ -

See accompanying notes to financial statements.

VILLAGE OF LINCOLNSHIRE, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION

December 31, 2023

ASSETS		
Cash and cash equivalents	$	20,082
Investments, at Fair Value		
Investments Held in the Illinois Police Officers' Pension Investment Fund		28,839,724
Equities		8,947
Prepaid expense		4,746
Total assets		28,873,499
LIABILITIES		
Accounts payable		3,137
Total liabilities		3,137
NET POSITION RESTRICTED FOR PENSIONS	$	28,870,362

See accompanying notes to financial statements.

VILLAGE OF LINCOLNSHIRE, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

For the Year Ended December 31, 2023

ADDITIONS	
Contributions - employer	$ 1,099,786
Contributions - employee	246,364
Contributions - buy back	133,642
Total contributions	1,479,792
Investment income	
Net appreciation in fair value of investments	3,283,893
Interest earned on investments	183,656
Total investment income	3,467,549
Less investment expense	(42,502)
Net investment income	3,425,047
Total additions	4,904,839
DEDUCTIONS	
Administrative	27,029
Benefits and refunds	1,566,978
Total deductions	1,594,007
NET INCREASE	3,310,832
NET POSITION RESTRICTED FOR PENSIONS	
January 1	25,559,530
December 31	$ 28,870,362

See accompanying notes to financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Lincolnshire, Illinois (the Village) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

a. Reporting Entity

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. As required by GAAP, these financial statements present the Village (the primary government) and its component units, entities for which the government is considered to be financially accountable.

The Village's financial statements include one fiduciary component unit.

Police Pension Employees Retirement System

The Village's police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's Mayor, one elected pension beneficiary and two elected police employees constitute the pension board. The Village and PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many of the characteristics of a legally separate government, PPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the Village's police employees and because of the fiduciary nature of such activities. PPERS is reported as a pension trust fund. Separate financial statements are not issued by the Police Pension Board.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting

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

A fund is a separate accounting entity with a self-balancing set of accounts. A minimum number of funds are maintained consistent with legal and managerial requirements. Funds are classified into the following categories: governmental, proprietary and fiduciary.

Governmental funds are used to account for all or most of the Village's general activities, including the accounting for revenue sources that are legally restricted or committed for specific purposes (special revenue funds), accounting for funds that are restricted, committed or assigned to the acquisition of capital assets or construction of major capital projects not financed by another fund (capital projects funds) and accounting for the servicing of bonded general long-term debt using funds restricted, committed or assigned for debt service (debt service funds). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

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

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments. When these assets are held under the terms of a formal trust agreement, a pension trust fund may be used. The Village has a Police Pension Fund.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity (except for activities reported in internal service funds) has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

The Village reports the following major governmental funds:

The General Corporate Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

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

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

The Village reports the following major proprietary 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 storm sewer revenue account and the storm sewer improvement account.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Additionally, the Village reports the following proprietary fund:

Internal Service Fund

The Vehicle Maintenance Fund accounts for maintenance of vehicles and equipment and is funded by various departments according to services rendered.

This fund is reported as governmental activities on the government-wide financial statements.

The Village reports a pension trust fund as a fiduciary component unit to account for the Police Pension Fund.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues/expenses include all revenues/expenses directly related to providing the day-to-day enterprise fund services. Incidental revenues/expenses, such as property taxes and investment income, are reported as non-operating.

Governmental fund financial statements are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period. The Village recognizes property taxes when they become both measurable and available in the period intended to finance, generally within 60 days of year end. Sales taxes, telecommunications taxes and use taxes use a 90-day period. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Those revenues susceptible to accrual are property taxes, income taxes, franchise taxes, licenses, interest revenue and charges for services. Sales tax, telecommunication tax, local use tax and motor fuel tax and fines owed to/collected by the state at year end on behalf of the Village are also recognized as revenue. Permit revenues are not susceptible to accrual because generally they are not measurable until received in cash.

The Village reports unavailable/deferred revenue and unearned revenue on its financial statements. Unavailable/deferred revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unearned revenues arise when resources are received by the Village before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the deferred inflow for unavailable/deferred revenue or the liability for unearned revenue is removed from the financial statements and revenue is recognized.

e. Cash and Investments

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Village's proprietary funds consider all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

f. Investments

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

g. Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans, if any, are classified as "interfund receivables/payables."

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Advances to Other Funds

Noncurrent portions of long-term interfund loan receivables are reported as advances between funds in the fund financial statements. The advances are offset equally by a nonspendable fund balance account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

i. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses on the consumption method.

j. Land Held for Resale

Land held for resale is valued at fair value. Fair value of land held for resale is determined by an independent appraisal of the parcel (Level 3 input). Reported land held for resale is equally offset by a nonspendable fund balance, which indicates that portion of the fund balance is unavailable to the fund.

k. Capital Assets

Capital assets, which include property, plant, equipment, water and sewer system, intangible assets and infrastructure assets (e.g., roads, bridges and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial 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 one year.

All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Capital Assets (Continued)

Governmental activities capital assets are depreciated using the straight-line method over the following useful lives:

	Years
Land improvements	10-20
Buildings and improvements	15-50
Infrastructure*	20-50
Machinery and equipment	5-20

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

Business-type activities capital assets are depreciated using the straight-line method over the following useful lives:

	Years
Buildings	45
Underground water and sewerage system	10-75
Furniture, machinery and equipment	5-15
Storm sewer system	50

l. Compensated Absences

In the event of termination, an employee is paid for accumulated vacation 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.

m. Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund financial statements. Bond premiums and discounts, as well as

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Long-Term Obligations (Continued)

gains/losses on refundings, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. The gain/loss on refunding is reported as a deferred inflow/outflow of resources. Bond issuance costs are expensed in the year of issuance.

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

n. Fund Equity/Net Position

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

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 Fund. The General 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Fund Equity/Net Position (Continued)

In the government-wide financial statements, restricted net position are legally restricted by outside parties for a specific purpose. Net position has not been restricted by enabling legislation adopted by the Village. Net investment in capital assets, represents the book value of capital assets less any long-term debt principal outstanding issued to construct capital assets.

o. Interfund Transactions

Interfund services are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except interfund services and reimbursements, are reported as transfers.

p. Accounting Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities 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.

q. Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has two types of this item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

q. Deferred Outflows/Inflows of Resources (Continued)

category. Accordingly, the item, deferred/unavailable revenue, is reported only in the governmental funds balance sheet/statement of net position. The governmental funds report deferred/unavailable revenues from one source: property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The second relates to the pension plans of the Village, which have both deferred outflows and inflows of resources.

2. DEPOSITS AND INVESTMENTS

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

a. Village

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

Permitted Deposits and Investments - The Village's investment policy authorizes the Village to make deposits/invest in accordance with Illinois Compiled Statutes (ILCS); including investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services and The Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a $1 per share value) and the Illinois Metropolitan Investment Fund (IMET).

The Illinois Metropolitan Investment Fund (IMET) is a local government investment pool. Created in 1996 as a not-for-profit trust formed under the Intergovernmental Cooperation Act and the Illinois Municipal Code. IMET was formed to provide Illinois government agencies with safe, liquid, attractive alternatives for investing and is managed by a Board of Trustees elected from the participating members. IMET offers participants two separate vehicles to meet their investment needs.

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village (Continued)

The IMET Core Fund is designed for public funds that may be invested for longer than one year. The Core Fund carries the highest rating available (AAAf/bf) from Moody's for such funds. Member withdrawals can be made from the core fund with a five day notice. The IMET Convenience Fund (CVF) is designed to accommodate funds requiring high liquidity, including short term cash management programs and temporary investment of bond proceeds. It is comprised of collateralized and FHLB LoC backed bank deposits, FDIC insured certificates of deposit and U.S. Government securities. Member withdrawals are generally on the same day as requested. Investments in IMET are valued at IMET's share price, which is the price the investment could be sold.

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.

b. Village Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral with a fair value of 110% of all bank balances in excess of federal depository insurance with the collateral held by the Village's agent in the Village's name.

c. Village Investments

The following table presents the investments and maturities of the Village's investments as of December 31, 2023:

		Investment Maturities (in Years)			
	Fair Value	Less than 1	1-5	6-10	Greater than 10
IMET 1-3 Year Fund	$ 5,951,172	$ -	$ 5,951,172	$ -	$ -
U.S. Treasuries	765,621	49,742	715,879	-	-
U.S. agencies	1,451,812	464,494	987,318	-	-
Repurchase agreement	1,169,726	-	1,169,726	-	-
Municipal bonds	309,843	260,555	49,288	-	-
Negotiable certificates of deposits	3,496,298	1,070,512	2,425,786	-	-
TOTAL	$ 13,144,472	$ 1,845,303	$ 11,299,169	$ -	$ -

2. DEPOSITS AND INVESTMENTS (Continued)

c. Village Investments (Continued)

In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide 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 with 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.

The Village has the following recurring fair value measurements as of December 31, 2023: the U.S. Treasury obligations are valued using quoted prices in active markets for identical assets (Level 1 inputs); the certificate of deposits, U.S. agency obligations, repurchase agreement and municipal bonds, are valued using quoted matrix pricing models (Level 2 inputs); the IMET 1 to 3 Year Fund, a mutual fund, is measured based on the net asset value of the shares in IMET, which is based on the fair value of the underlying investments in the mutual fund (Level 3 input).

The Village limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by requiring annual approval of allowable investments. Additionally, the funds are primarily invested in government securities and other secure investments. Investments in U.S. agencies are rated Aaa to AA+. The investment in the repurchase agreement is rated Aaa. Investments in IMET are rated Aaa. The Municipal Bonds are rated AA to AA-. The negotiable certificates of deposits are not rated.

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

Concentration of credit risk - The Village's investment policy requires diversification of the portfolio. Diversification by security instrument 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.

2. DEPOSITS AND INVESTMENTS (Continued)

c. Village Investments (Continued)

As of December 31, 2023, the Villages Natixis repurchase agreement investment consisted of 5.78% of the investment portfolio.

The Village's investment policy does not specifically prohibit the use of or the investment in derivatives.

3. RECEIVABLES - TAXES

Property taxes for 2023 attach as an enforceable lien on January 1, 2023 on property values assessed as of the same date. Taxes are levied by December of the fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about May 1, 2024 and August 1, 2024 and are payable in two installments, on or about June 1, 2024 and September 1, 2024. The County collects such taxes and remits them periodically. As the 2023 tax levy is intended to fund expenditures for the 2024 fiscal year, these taxes are deferred as of December 31, 2023.

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2023 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	$ 27,533,513	$ -	$ -	$ 27,533,513
Right of way	15,175,160	-	-	15,175,160
Easements	1,073,597	-	-	1,073,597
Construction in progress	65,387	660,634	-	726,021
Total capital assets not being depreciated	43,847,657	660,634	-	44,508,291
Capital assets being depreciated				
Land improvements	8,085,595	-	-	8,085,595
Buildings and improvements	9,486,118	-	-	9,486,118
Infrastructure	28,286,686	-	-	28,286,686
Machinery and equipment	4,775,205	111,460	-	4,886,665
Total capital assets being depreciated	50,633,604	111,460	-	50,745,064
Less accumulated depreciation for				
Land improvements	6,135,929	63,187	-	6,199,116
Buildings and improvements	5,561,772	219,268	-	5,781,040
Infrastructure	19,354,934	491,103	-	19,846,037
Machinery and equipment	3,064,577	324,850	-	3,389,427
Total accumulated depreciation	34,117,212	1,098,408	-	35,215,620
Total capital assets being depreciated, net	16,516,392	(986,948)	-	15,529,444
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	$ 60,364,049	$ (326,314)	$ -	$ 60,037,735

4. CAPITAL ASSETS (Continued)

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

GOVERNMENTAL ACTIVITIES	
General government	$ 555,233
Public safety	81,788
Public works	231,716
Parks and recreation	229,671
DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	$ 1,098,408

	Beginning Balances	Increases	Decreases	Ending Balances
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	$ 106,833	$ -	$ -	$ 106,833
Construction in progress	808,604	260,356	-	1,068,960
Total capital assets not being depreciated	915,437	260,356	-	1,175,793
Capital assets being depreciated				
Buildings	2,102,570	-	-	2,102,570
Underground water and sewerage system	92,870,128	-	-	92,870,128
Furniture, machinery and equipment	1,512,059	-	-	1,512,059
Storm sewer system	19,146,294	-	-	19,146,294
Total capital assets being depreciated	115,631,051	-	-	115,631,051
Less accumulated depreciation for				
Buildings	1,360,241	48,848	-	1,409,089
Underground water and sewerage system	59,760,877	1,608,468	-	61,369,345
Furniture, machinery and equipment	868,760	113,833	-	982,593
Storm sewer system	12,571,498	325,932	-	12,897,430
Total accumulated depreciation	74,561,376	2,097,081	-	76,658,457
Total capital assets being depreciated, net	41,069,675	(2,097,081)	-	38,972,594
BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS, NET	$ 41,985,112	$ (1,836,725)	$ -	$ 40,148,387

5. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; illnesses of employees; and natural disasters. Insurance other than employee health and workers compensation, is purchased.

5. RISK MANAGEMENT (Continued)

High-Level Excess Liability Pool

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 and voted in April 2023 to distribute the final net assets of the pool. The Village remains responsible to make supplementary payment to the High Level Excess Liability Pool in the event that claims which fall within the scope of coverage of the agency need to be paid as subsequent times.

North Suburban Employee's Benefit Cooperative

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 policies 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.

6. LONG-TERM DEBT

a. Changes in Long-Term Liabilities

During the fiscal year, the following changes occurred in governmental activities long-term liabilities:

	Balances January 1,	Additions	Reductions	Balances December 31	Current Portion
GOVERNMENTAL ACTIVITIES					
Special service area bonds	$ 9,610,000	$ -	$ 560,000	$ 9,050,000	$ 595,000
Net pension liability, IMRF	-	2,570,142	-	2,570,142	-
Net pension liability, IMRF - internal service	-	220,303	-	220,303	-
Net pension liability - Police Pension	7,131,972	-	928,360	6,203,612	-
Total OPEB Liability	1,678,822	186,299	-	1,865,121	86,828
Total OPEB Liability - internal service	61,145	-	3,291	57,854	5,427
Compensated absences	363,074	375,393	363,074	375,393	375,393
Compensated absences - internal service	3,662	4,778	3,662	4,778	4,778
TOTAL GOVERNMENTAL ACTIVITIES	$ 18,848,675	$ 3,356,915	$ 1,858,387	$ 20,347,203	$ 1,067,426

The net pension liabilities, OPEB liability and compensated absences liability are historically retired by the General Fund.

During the fiscal year, the following changes occurred in business-type activities long-term liabilities:

	Balances January 1	Additions	Reductions	Balances December 31	Current Portion
BUSINESS-TYPE ACTIVITIES					
General obligation bonds	$ 4,065,000	$ -	$ 750,000	$ 3,315,000	$ 75,000
Net pension liability - IMRF	-	881,203	-	881,203	-
Total OPEB liability	248,162	29,322	-	277,484	16,280
Compensated absences	68,009	33,271	68,009	33,271	33,271
TOTAL BUSINESS-TYPE ACTIVITIES	$ 4,381,171	$ 943,796	$ 818,009	$ 4,506,958	$ 124,551

The net pension liability, OPEB liability and compensated absences liability are historically retired by the Water and Sanitary Sewer Fund and the Storm Sewer Fund.

6. LONG-TERM DEBT (Continued)

b. General Obligation Bonds

Issue	Fund Debt Retired By	Balances January 1	Additions	Reductions	Balances December 31	Current Portion
BUSINESS-TYPE ACTIVITIES						
General Obligation Bonds Series 2022 ($4,065,000 dated May 31, 2022; maturing December 1, 2050; payable in annual installments from $75,000 to $750,000; interest rate 3.75%).	Water and Sewer Fund	$ 4,065,000	$ -	$ 750,000	$ 3,315,000	$ 75,000
TOTAL BUSINESS-TYPE ACTIVITIES		$ 4,065,000	$ -	$ 750,000	$ 3,315,000	$ 75,000

Annual debt service requirements to maturity for the General Obligation Bonds are as follows:

Year Ending December 31,	Business-type activities Principal	Interest	Total
2024	$ 75,000	$ 124,312	$ 199,312
2025	75,000	121,500	196,500
2026	75,000	118,688	193,688
2027	75,000	115,875	190,875
2028	75,000	113,062	188,062
2029-2033	375,000	523,125	898,125
2034-2038	375,000	452,813	827,813
2039-2043	375,000	382,500	757,500
2044-2048	785,000	312,188	1,097,188
2049-2050	1,030,000	58,313	1,088,313
TOTAL	$ 3,315,000	$ 2,322,376	$ 5,637,376

6. LONG-TERM DEBT (Continued)

c. Special Service Area Bonds

Issue	Fund Debt Retired By	Balances January 1	Additions	Reductions	Balances December 31	Current Portion
GOVERNMENTAL ACTIVITIES						
Special Service Area Number 1 Special Tax Bonds, Series 2004 ($15,000,000 dated November 16, 2004; maturing March 1, 2034; payable in annual installments ranging from $235,000 to $1,095,000).	SSA Debt Service	$ 9,610,000	$ -	$ 560,000	$ 9,050,000	$ 595,000
TOTAL GOVERNMENTAL ACTIVITIES		$ 9,610,000	$ -	$ 560,000	$ 9,050,000	$ 595,000

Annual debt service requirements to maturity for the Special Service Area Bonds are as follows:

Year Ending December 31,	Governmental Activities Principal	Interest	Total
2024	$ 595,000	$ 565,625	$ 1,160,625
2025	635,000	528,438	1,163,438
2026	675,000	488,750	1,163,750
2027	715,000	446,562	1,161,562
2028	760,000	401,875	1,161,875
2029-2033	4,575,000	1,235,000	5,810,000
2034	1,095,000	68,438	1,163,438
TOTAL	$ 9,050,000	$ 3,734,688	$ 12,784,688

6. LONG-TERM DEBT (Continued)

d. Legal Debt Margin

The Village is a home rule municipality.

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

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

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.

7. INTERFUND ASSETS/LIABILITIES

a. Transfers In/Out

Interfund transfers during the year ended December 31, 2023 consisted of the following:

Fund	Transfers In	Transfers Out
Major Governmental		
General Corporate	$ 600,000	$ 4,039,639
General Capital Projects	2,606,979	-
Total Major Governmental	3,206,979	4,039,639

7. INTERFUND ASSETS/LIABILITIES (Continued)

a. Transfers In/Out (Continued)

Fund	Transfers In	Transfers Out
Nonmajor Governmental		
Park Development	$ -	$ 356,979
E911	594,639	-
Total Nonmajor Governmental	594,639	356,979
Enterprise		
Water and Sanitary Sewer Improvement	$ 755,000	$ 600,000
Storm Sewer Fund	440,000	-
Total Enterprise	1,195,000	600,000
TOTAL	$ 4,996,618	$ 4,996,618

The purpose of significant transfers is as follows:

- $1,195,000 transferred from the General Corporate Fund to the Water and Sanitary Sewer Fund ($755,000) and Storm Sewer Fund ($440,000) to fund capital improvements. This amount will not be repaid.

- $600,000 transferred from the Water and Sanitary Sewer Fund to the General Corporate Fund to comply with the Village fund balance policy. This amount will not be repaid.

- $2,250,000 transferred from the General Corporate Fund to the General Capital Projects Fund to fund capital improvements and to comply with the Village fund balance policy. This amount will not be repaid.

- $356,979 transferred from the Park Development Fund to the General Capital Projects Fund to fund capital improvements. This amount will not be repaid.

- $594,639 transferred from the General Corporate Fund to the E911 Fund to report the E911 Fund in separate fund.

7. INTERFUND ASSETS/LIABILITIES (Continued)

b. Due From/To Other Funds

Due from/to other funds at December 31, 2023 consisted of the following:

Fund	Due From	Due To
Major Governmental		
General Corporate	$ -	$ 500
Total Major Governmental	-	500
Enterprise		
Water and Sanitary Sewer Fund	$ 500	$ -
Total Enterprise	500	-
TOTAL	$ 500	$ 500

This will be repaid within the next fiscal year.

8. CONTINGENT LIABILITIES

a. Litigation

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

b. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

c. High-Level Excess Liability Pool

The Village's agreement with HELP provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

9. TAX ABATEMENTS

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, 2023, the Village had no estimated rebate liability. To date, the Village has rebated approximately $1,493,698 of home-rule sales tax to this company.

In 2018, the Village entered into a ten-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 and 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 ten-year period has ended. At December 31, 2023, the Village had no estimated rebate liability. To date, the Village has rebated approximately $182,070 of municipal taxes to this company.

10. OTHER POSTEMPLOYMENT BENEFITS

a. 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. 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.

b. 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. For certain disabled employees who qualify for health insurance benefits under the Public Safety Employee Benefits Act (PSEBA), the Village is required to pay 100% of the cost of basic health insurance for the employee and their dependents until Medicare age is reached.

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

c. Membership

At December 31, 2022 (most recent data available), membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	8
Inactive employees entitled to but not yet receiving benefits	-
Active plan members	57
TOTAL	65
Participating employers	1

d. Total OPEB Liability

The Village's total OPEB liability of $2,200,459 was measured as of December 31, 2023 and determined by an actuarial valuation as of January 1, 2023.

e. Actuarial Assumptions and Other Inputs

The total OPEB liability at December 31, 2023, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. The total OPEB liability was rolled forward by the actuary using updated procedures to December 31, 2023, including updating the discount rate at December 31, 2023, as noted on the following page.

Actuarial cost method	Entry-age normal
Actuarial value of assets	Fair value
Salary increases	3.00%
Discount rate	3.26%
Healthcare cost trend rates	7.40-7.70% Initial 5.00% Ultimate

The discount rate was based on The Bond Buyer 20-Bond GO Index, which is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA.

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

f. Changes in the Total OPEB Liability

	Total OPEB Liability
BALANCES AT JANUARY 1, 2023	$ 1,988,129
Changes for the period	
Service cost	145,387
Interest	71,939
Differences between expected and actual experience	-
Assumption changes*	103,539
Benefit payments	(108,535)
Net changes	212,330
BALANCES AT DECEMBER 31, 2023	$ 2,200,459

*There were changes in assumptions related to the discount rate compared to the previous valuation.

g. Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the Village calculated using the discount rate of 3.26% as well as what the Village total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.26%) or 1 percentage point higher (4.26%) than the current rate:

	1% Decrease (2.26%)	Current Discount Rate (3.26%)	1% Increase (4.26%)
Total OPEB liability	$ 2,452,562	$ 2,200,459	$ 1,984,176

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

g. Rate Sensitivity (Continued)

The table below presents the total OPEB liability of the Village calculated using the healthcare rate of 7.40% to 5.00% as well as what the Village's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (6.40% to 4.00%) or 1 percentage point higher (8.40% to 6.00%) than the current rate:

	1% Decrease (6.40% to 4.00%)	Current Healthcare Rate (7.40% to 5.00%)	1% Increase (8.40% to 6.00%)
Total OPEB liability	$ 1,901,540	$ 2,200,459	$ 2,573,208

h. Changes in the Total OPEB Liability

For the year ended December 31, 2023, the Village recognized OPEB expense of $212,330. Per GASB Statement No. 75, under the Alternative Measurement Method, changes in Total OPEB Liability are immediately recognized as expense, resulting in no deferred outflows of resources or deferred inflows of resources related to OPEB.

11. EMPLOYEE RETIREMENT SYSTEMS

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

The table below is a summary for all pension plans as of and for the year ended December 31, 2023:

	IMRF	Police Pension	Total
Net pension liability	$ 3,671,648	$ 6,203,612	$ 9,875,260
Deferred outflows of resources	2,150,139	3,383,441	5,533,580
Deferred inflows of resources	115,951	1,299,057	1,415,008
Pension expense	480,573	804,437	1,285,010

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership

At December 31, 2022, (most recent available) IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	58
Inactive employees entitled to but not yet receiving benefits	38
Active employees	36
TOTAL	132

Benefits Provided

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011 are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. Employees hired on or after January 1, 2011 are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Contributions

Participating members are required to contribute 4.50% of their annual covered salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the fiscal year ended December 31, 2023 was 10.10% of covered payroll.

Actuarial Assumptions

The Village's net pension liability was measured as of December 31, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2022
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.75%
Salary increases	2.85% to 13.75%
Interest Rate	7.25%
Cost of living adjustments	3.00%
Asset valuation method	Fair value

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

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate

The discount rate used to measure the total pension liability at December 31, 2022 was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Change in the Net Pension Liability (Asset)

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2022	$ 24,889,842	$ 26,144,719	$ (1,254,877)
Changes for the period			
Service cost	278,597	-	278,597
Interest	1,770,969	-	1,770,969
Difference between expected and actual experience	(106,041)	-	(106,041)
Changes in assumptions	-	-	-
Employer contributions	-	396,113	(396,113)
Employee contributions	-	168,980	(168,980)
Net investment income	-	(3,293,891)	3,293,891
Benefit payments and refunds	(1,203,965)	(1,203,965)	-
Other (net transfer)	-	(254,202)	254,202
Net changes	739,560	(4,186,965)	4,926,525
BALANCES AT DECEMBER 31, 2022	$ 25,629,402	$ 21,957,754	$ 3,671,648

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

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

For the year ended December 31, 2023, the Village recognized pension expense of $480,573.

At December 31, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 44,677	$ 92,478
Changes in assumption	-	23,473
Net difference between projected and actual earnings on pension plan investments	1,768,368	-
Contributions subsequent to the measurement date	337,094	-
TOTAL	$ 2,150,139	$ 115,951

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

$337,094 reported as deferred outflows of resources related to pensions resulting from the Village contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Year Ending December 31,	
2024	$ (180,569)
2025	278,662
2026	567,600
2027	1,031,401
TOTAL	$ 1,697,094

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability	$ 6,675,023	$ 3,671,648	$ 1,369,496

Police Pension Plan

Plan Administration

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

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

Plan Membership

At December 31, 2023, the Police Pension Plan membership consisted of:

Inactive plan members currently receiving benefits	20
Inactive plan members entitled to benefits but not yet receiving them	6
Active plan members	24
TOTAL	50

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided

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

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

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Contributions

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. The Village has chosen a policy to fund 100% of the past service costs by 2040. For the year ended December 31, 2023, the Village's contribution was 40.92% of covered payroll.

Illinois Police Officers' Pension Investment Fund

The Illinois Police Officers' Pension Investment Fund (IPOPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate police pension funds. IPOPIF was created by Public Act 101-0610 and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds as defined in 40 ILCS 5/22B-105. Participation in IPOPIF by Illinois suburban and downstate police pension funds is mandatory.

Deposits with Financial Institutions

The plan retains all of its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the plan. The excess of available cash is required to be transferred to IPOPIF for purposes of the long-term investment for the plan.

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the plan's deposits may not be returned to it. The plan's investment policy does not specifically address custodial credit risk.

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investments

Investments of the plan are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual comprehensive financial report. For additional information on IPOPIF's investments, please refer to their annual comprehensive financial report as of June 30, 2023. A copy of that report can be obtained from IPOPIF at 456 Fulton Street, Suite 402, Peoria, IL 61602 or at www.ipopif.org.

Fair Value Measurement

The plan categorizes fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The fund has the following recurring fair value measurements as of December 31, 2023: the Equities are valued using quoted prices in active markets for identical assets (Level 1 inputs).

Net Asset Value

The Net Asset Value (NAV) of the plan's pooled investment in IPOPIF was $28,839,724 at December 31, 2023. Investments in IPOPIF are valued at IPOPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at December 31, 2023. The plan may redeem shares with a seven calendar day notice. IPOPIF may, at its sole discretion and based on circumstances, process redemption requests with fewer than a seven calendar day notice. Regular redemptions of the same amount on a particular day of the month may be arranged with IPOPIF.

Investment Rate of Return

For the year ended December 31, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 13.66%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Custodial Credit Risk

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.

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2023 using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2023
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	Aged-based
Interest rate	6.80%
Cost of living adjustments	3.00%
Asset valuation method	Fair value

Mortality rates were based on the generational improvements type and the improvement scale MP-2021.

Discount Rate

The discount rate used to measure the total pension liability at December 31, 2023 was 6.80%. The projection of cash flows used to determine the Discount Rate assumed that current plan member contributions will be made at the current contribution rate and that sponsor 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’s investments (6.80%) was applied to all periods of projected benefit payments to determine the total pension liability.

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Discount Rate Sensitivity

The following is a sensitive 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 Village's net pension liability would be if it were 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 (5.80%)	Current Discount Rate (6.80%)	1% Increase (7.80%)
Net pension liability	$ 11,206,147	$ 6,203,612	$ 2,125,840

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2023	$ 32,691,502	$ 25,559,530	$ 7,131,972
Changes for the period			
Service cost	582,202	-	582,202
Interest	2,209,335	-	2,209,335
Difference between expected and actual experience	1,044,271	-	1,044,271
Employer contributions	-	1,099,786	(1,099,786)
Employee contributions	-	266,364	(266,364)
Net investment income	-	3,425,047	(3,425,047)
Contributions - buy back	113,642	113,642	-
Benefit payments and refunds	(1,566,978)	(1,566,978)	-
Administrative expense	-	(27,029)	27,029
Net changes	2,382,472	3,310,832	(928,360)
BALANCES AT DECEMBER 31, 2023	$ 35,073,974	$ 28,870,362	$ 6,203,612

As of December 31, 2023, the plan was 82.31% funded.

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

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

For the year ended December 31, 2023, the Village recognized pension expense of $804,437. At December 31, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to the Police Pension Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 1,361,510	$ 313,677
Changes in assumption	197,066	985,380
Net difference between projected and actual earnings on pension plan investments	1,824,865	-
TOTAL	$ 3,383,441	$ 1,299,057

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

Year Ending December 31,	
2024	$ 448,036
2025	843,481
2026	941,471
2027	(317,981)
2028	20,195
Thereafter	149,182
TOTAL	$ 2,084,384

12. EMPLOYEE BENEFIT PLAN

The Village provides a 457 plan (the plan) to the Village Manager and Finance Director, which is a single employer defined contribution plan. The contribution made by the Village for the year ended December 31, 2023 was $23,462 under the terms of the employment agreement.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF LINCOLNSHIRE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL CORPORATE FUND

For the Year Ended December 31, 2023

	Original and Final Appropriation	Original and Final Budget	Actual
REVENUES			
Property taxes		$ 1,764,931	$ 1,786,144
Other taxes		9,848,000	10,527,089
Licenses, permits and fees		652,100	818,462
Fines and forfeitures		228,000	183,166
Intergovernmental		491,000	610,182
Investment income		100,000	635,492
Miscellaneous		51,800	318,046
Total revenues		13,135,831	14,878,581
EXPENDITURES			
Current			
General government		2,665,642	2,470,195
Public safety		5,136,004	5,006,349
Community and economic development		1,189,658	1,169,033
Public works		1,635,049	1,564,281
Parks and open spaces		1,403,524	1,442,771
Total expenditures	$ 13,803,000	12,029,877	11,652,629
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		1,105,954	3,225,952
OTHER FINANCING SOURCES (USES)			
Transfers In		-	600,000
Transfers (out)		(440,000)	(4,039,639)
Total other financing sources (uses)		(440,000)	(3,439,639)
NET CHANGE IN FUND BALANCE		$ 665,954	(213,687)
FUND BALANCE, JANUARY 1			7,990,318
FUND BALANCE, DECEMBER 31			$ 7,776,631

(See independent auditor's report.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Nine Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially determined contribution	$ 446,674	$ 438,803	$ 388,559	$ 422,413	$ 406,131	$ 491,825	$ 451,386	$ 396,113	$ 337,094
Contributions in relation to the actuarially determined contribution	446,674	438,803	388,559	422,413	406,131	491,825	451,386	396,113	337,094
CONTRIBUTION DEFICIENCY (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 2,892,964	$ 2,810,162	$ 2,744,060	$ 2,861,874	$ 3,010,607	$ 3,118,738	$ 3,093,801	$ 3,082,590	$ 3,337,924
Contributions as a percentage of covered-employee payroll	15.44%	15.61%	14.16%	14.76%	13.49%	15.77%	14.59%	12.85%	10.10%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 21 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 2.85% to 13.75% compounded annually and postretirement benefit increases of 3.00% compounded annually.

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

VILLAGE OF LINCOLNSHIRE, ILLINOIS

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

Last Nine Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020	2021	2022
TOTAL PENSION LIABILITY									
Service cost	$ 341,442	$ 313,571	$ 311,006	$ 300,876	$ 280,625	$ 295,495	$ 308,834	$ 290,510	$ 278,597
Interest	1,300,553	1,397,410	1,459,744	1,516,508	1,561,154	1,638,470	1,660,106	1,703,996	1,770,969
Differences between expected and actual experience	(159,731)	(159,981)	(214,365)	301,444	331,724	(546,879)	(104,701)	101,849	(106,041)
Changes of assumptions	564,270	-	(76,478)	(596,880)	650,699	-	(145,048)	-	-
Benefit payments, including refunds of member contributions	(691,886)	(687,105)	(743,424)	(848,869)	(984,235)	(1,110,645)	(1,079,992)	(1,129,308)	(1,203,965)
Net change in total pension liability	1,354,648	863,895	736,483	673,079	1,839,967	276,441	639,199	967,047	739,560
Total pension liability - beginning	17,539,083	18,893,731	19,757,626	20,494,109	21,167,188	23,007,155	23,283,596	23,922,795	24,889,842
TOTAL PENSION LIABILITY - ENDING	$ 18,893,731	$ 19,757,626	$ 20,494,109	$ 21,167,188	$ 23,007,155	$ 23,283,596	$ 23,922,795	$ 24,889,842	$ 25,629,402
PLAN FIDUCIARY NET POSITION									
Contributions - employer	$ 614,250	$ 596,673	$ 446,418	$ 388,559	$ 422,412	$ 406,130	$ 491,825	$ 451,386	$ 396,113
Contributions - member	145,229	137,799	126,457	123,482	128,784	135,477	140,344	169,124	168,980
Net investment income	907,263	79,064	1,114,205	2,921,375	(1,013,933)	3,441,700	2,914,641	3,880,008	(3,293,891)
Benefit payments, including refunds of member contributions	(691,886)	(687,105)	(743,424)	(848,869)	(984,235)	(1,110,645)	(1,079,992)	(1,129,308)	(1,203,965)
Administrative expense	(25,139)	198,897	(111,456)	(257,087)	418,615	(470,225)	(313,858)	(27,609)	(254,202)
Net change in plan fiduciary net position	949,717	325,328	832,200	2,327,460	(1,028,357)	2,402,437	2,152,960	3,343,601	(4,186,965)
Plan fiduciary net position - beginning	14,839,373	15,789,090	16,114,418	16,946,618	19,274,078	18,245,721	20,648,158	22,801,118	26,144,719
PLAN FIDUCIARY NET POSITION - ENDING	$ 15,789,090	$ 16,114,418	$ 16,946,618	$ 19,274,078	$ 18,245,721	$ 20,648,158	$ 22,801,118	$ 26,144,719	$ 21,957,754
EMPLOYER'S NET PENSION LIABILITY	$ 3,104,641	$ 3,643,208	$ 3,547,491	$ 1,893,110	$ 4,761,434	$ 2,635,438	$ 1,121,677	$ (1,254,877)	$ 3,671,648

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020	2021	2022
Plan fiduciary net position as a percentage of total pension liability	83.57%	81.56%	82.69%	91.06%	79.30%	88.68%	95.31%	105.04%	85.67%
Covered payroll	$ 2,841,986	$ 2,892,964	$ 2,810,162	$ 2,744,060	$ 2,861,874	$ 3,010,607	$ 3,118,739	$ 3,093,802	$ 3,082,591
Employer's net pension liability as a percentage of covered payroll	109.24%	125.93%	126.24%	68.99%	166.37%	87.54%	35.97%	(40.56%)	119.11%

2015 - changes in assumptions relate to investment rate of return, retirement age and mortality rates
2016 - changes in assumptions relate to retirement age and mortality rates
2017 - changes in assumptions related to inflation rates, salary rates and mortality rates
2018 - changes in assumptions relate to the investment rate of return
2020 - changes in assumptions relate to the inflation rates, salary rates, mortality rates and investment rate of return

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

(See independent auditor's report.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially determined contribution	$ 527,434	$ 623,208	$ 783,607	$ 803,666	$ 849,742	$ 832,137	$ 1,030,790	$ 1,068,536	$ 1,033,370	$ 865,903
Contribution in relation to the actuarially determined contribution	527,434	618,665	783,607	803,666	849,742	832,137	910,154	1,068,536	1,002,258	865,903
CONTRIBUTION DEFICIENCY (Excess)	$ -	$ 4,543	$ -	$ -	$ -	$ -	$ 120,636	$ -	$ 31,112	$ -
Additional voluntary contributions	$ 61,869	$ -	$ 49,524	$ 34	$ 554	$ 20,788	$ -	$ 44,724	$ -	$ 233,883
Covered payroll	2,082,705	2,101,615	2,150,195	2,028,220	2,324,325	2,390,785	2,478,772	2,455,489	2,451,382	2,687,830
Contributions as a percentage of Covered payroll	28.30%	29.44%	38.75%	39.63%	36.58%	35.68%	36.72%	45.34%	40.89%	40.92%

The information presented was determined as part of the actuarial valuations as of January 1. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 17 years; the asset valuation method was fair value; and the significant actuarial assumptions were an investment rate of return at 6.50% annually, projected salary increases assumption was aged based of 3.62% to 7.36% compounded annually and postretirement benefit increases of 3.00% compounded annually.

(See independent auditor's report.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

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

Last Ten Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
TOTAL PENSION LIABILITY										
Service cost	$ 543,025	$ 535,944	$ 568,266	$ 575,596	$ 516,599	$ 592,873	$ 630,814	$ 627,487	$ 578,822	$ 582,202
Interest	1,466,549	1,561,977	1,607,524	1,694,486	1,767,419	1,847,798	1,954,038	2,054,283	2,097,797	2,209,335
Differences between expected and actual experience	434,345	(459,019)	359,920	249,838	196,223	(210,106)	293,935	(507,293)	476,621	1,044,271
Changes of assumptions	-	-	-	-	-	689,733	-	-	(1,379,530)	-
Changes of benefit terms	-	-	-	-	-	66,512	-	-	-	-
Contributions - buy back	-	-	-	-	-	-	-	-	-	113,642
Benefit payments, including refunds of member contributions	(977,078)	(960,345)	(980,658)	(1,429,667)	(1,248,114)	(1,426,737)	(1,313,425)	(1,358,389)	(1,554,362)	(1,566,978)
Net change in total pension liability	1,466,841	678,557	1,555,052	1,090,253	1,232,127	1,560,073	1,565,362	816,088	219,348	2,382,472
Total pension liability - beginning	22,507,801	23,974,642	24,653,199	26,208,251	27,298,504	28,530,631	30,090,704	31,656,066	32,472,154	32,691,502
TOTAL PENSION LIABILITY - ENDING	$ 23,974,642	$ 24,653,199	$ 26,208,251	$ 27,298,504	$ 28,530,631	$ 30,090,704	$ 31,656,066	$ 32,472,154	$ 32,691,502	$ 35,073,974
PLAN FIDUCIARY NET POSITION										
Contributions - employer	$ 589,303	$ 618,665	$ 833,131	$ 803,700	$ 850,296	$ 852,925	$ 910,154	$ 1,113,260	$ 1,002,258	$ 1,099,786
Contributions - member	232,179	208,270	210,892	215,212	205,423	234,115	260,748	243,339	242,932	266,364
Contributions - buy back	-	-	-	-	-	-	-	-	-	113,642
Contributions - other	10	15	23	149	-	-	-	-	-	-
Net investment income	469,087	(270,351)	1,306,857	2,772,144	(1,469,581)	3,824,259	3,560,995	2,641,770	(4,542,079)	3,425,047
Benefit payments, including refunds of member contributions	(977,078)	(960,345)	(980,658)	(1,429,667)	(1,248,114)	(1,426,737)	(1,313,425)	(1,358,389)	(1,554,362)	(1,566,978)
Administrative expense	(22,328)	(28,855)	(27,865)	(32,955)	(32,563)	(29,441)	(28,709)	(29,560)	(40,627)	(27,029)
Net change in plan fiduciary net position	291,173	(432,601)	1,342,380	2,328,583	(1,694,539)	3,455,121	3,389,763	2,610,420	(4,891,878)	3,310,832
Plan fiduciary net position - beginning	19,161,108	19,452,281	19,019,680	20,362,060	22,690,643	20,996,104	24,451,225	27,840,988	30,451,408	25,559,530
PLAN FIDUCIARY NET POSITION - ENDING	$ 19,452,281	$ 19,019,680	$ 20,362,060	$ 22,690,643	$ 20,996,104	$ 24,451,225	$ 27,840,988	$ 30,451,408	$ 25,559,530	$ 28,870,362
EMPLOYER'S NET PENSION LIABILITY	$ 4,522,361	$ 5,633,519	$ 5,846,191	$ 4,607,861	$ 7,534,527	$ 5,639,479	$ 3,815,078	$ 2,020,746	$ 7,131,972	$ 6,203,612

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Plan fiduciary net position as a percentage of the total pension liability	81.14%	77.15%	77.69%	83.12%	73.59%	81.26%	87.95%	93.78%	78.18%	82.31%
Covered payroll	$ 2,082,705	$ 2,101,615	$ 2,150,195	$ 2,028,220	$ 2,324,325	$ 2,390,785	$ 2,478,772	$ 2,455,489	$ 2,451,382	$ 2,687,830
Employer's net pension liability as a percentage of covered payroll	217.14%	268.06%	271.89%	227.19%	324.16%	235.88%	153.91%	82.30%	290.94%	230.80%

(See independent auditor's report.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED, DECEMBER 31	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Annual money-weighted rate of return, net of investment expense	2.53%	(1.35%)	6.87%	13.75%	(6.46%)	18.40%	14.70%	9.50%	(16.25%)	13.66%

(See independent auditor's report.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

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

Last Six Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2018	2019	2020	2021	2022	2023
TOTAL OPEB LIABILITY						
Service cost	$ 41,180	$ 38,829	$ 21,091	$ 63,943	$ 69,111	$ 145,387
Interest	73,742	82,459	66,059	58,915	54,762	71,939
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	-	-	32,931	-	(421,678)	-
Changes of assumptions	(147,537)	385,756	364,837	(129,663)	(318,010)	103,539
Benefit payments	(95,589)	(100,431)	(114,837)	(118,897)	(108,778)	(108,535)
Other changes	-	-	-	-	-	-
Net change in total OPEB liability	(128,204)	406,613	370,081	(125,702)	(724,593)	212,330
Total OPEB liability - beginning	2,189,934	2,061,730	2,468,343	2,838,424	2,712,722	1,988,129
TOTAL OPEB LIABILITY - ENDING	$ 2,061,730	$ 2,468,343	$ 2,838,424	$ 2,712,722	$ 1,988,129	$ 2,200,459
Covered-employee payroll	$ 4,934,763	$ 5,373,016	$ 5,952,389	$ 5,864,017	$ 5,892,981	$ 6,351,450
Employer's total OPEB liability as a percentage of covered-employee payroll	41.78%	45.94%	47.69%	46.26%	33.74%	34.64%

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

In 2023, 2022, 2021 and 2019, there were changes in assumptions related to the discount rate.

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

BUDGETS

Annual budgets are adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted for all governmental and proprietary funds, with the exception of the Fraud, Alcohol and Drug Fund. 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.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

MAJOR GOVERNMENTAL FUNDS

VILLAGE OF LINCOLNSHIRE, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL CORPORATE FUND

For the Year Ended December 31, 2023

	Original and Final Budget	Actual
PROPERTY TAXES		
Police pension fund	$ 1,105,431	$ 1,101,120
Police protection	139,500	150,907
IMRF	250,000	254,854
FICA	215,000	218,231
Road and bridge	55,000	61,032
Total property taxes	1,764,931	1,786,144
OTHER TAXES		
State income	1,100,000	1,150,001
Sales	1,900,000	2,188,369
Home rule sales	1,700,000	1,960,399
Utility	1,220,000	1,117,290
Telecommunication	880,000	916,332
Room and admissions	1,720,000	1,848,031
Real estate transfer	325,000	347,739
Food and beverage	715,000	677,845
Cannabis	13,000	12,018
State use	275,000	309,065
Total other taxes	9,848,000	10,527,089
LICENSES AND PERMITS		
Liquor licenses	66,000	67,250
Park user fees	31,000	33,700
Amusement devices	1,000	-
Application fees	1,300	-
Engineering fees	14,500	11,940
Planner fees	8,800	17,901
Plan review fees	85,000	99,841
Building permit fees	200,000	277,993
Fire review and inspection fees	35,000	79,063
Elevator inspection fees	21,000	21,140
Engineering review and inspection fees	10,000	18,530
Miscellaneous licenses and fees	6,000	11,850
Cable TV franchise fees	163,500	169,494
Yardwaste refuse stickers	8,000	7,260
Waste hauler fees	1,000	2,500
Total licenses and permits	652,100	818,462

(This schedule is continued on the following page.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

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

For the Year Ended December 31, 2023

	Original and Final Budget	Actual
FINES AND FORFEITURES		
Court fines	$ 205,000	$ 155,171
False alarm fines and fees	3,000	2,495
Administrative tow fees	20,000	25,500
Total fines and forfeitures	228,000	183,166
INTERGOVERNMENTAL		
Police grants	30,000	34,242
Police training reimbursements	21,000	28,213
School resource officer and intergovernmental agreement	440,000	541,045
Miscellaneous grants	-	6,682
Total intergovernmental	491,000	610,182
INVESTMENT INCOME	100,000	635,492
MISCELLANEOUS		
Miscellaneous income	51,800	318,046
Total miscellaneous	51,800	318,046
TOTAL REVENUES	$ 13,135,831	$ 14,878,581

(See independent auditor's report.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL CORPORATE FUND

For the Year Ended December 31, 2023

	Original and Final Appropriation	Original and Final Budget	Actual
GENERAL GOVERNMENT			
Administration services			
Personnel services			
Regular salaries		$ 420,000	$ 412,687
IMRF		43,000	40,451
FICA		31,500	26,507
Total personnel services		494,500	479,645
Contractual services			
Equipment maintenance		200	-
Professional services		3,000	816
Total contractual services		3,200	816
Other charges			
Memberships		15,000	15,339
Vehicle expenditures		4,800	4,800
Professional development		9,077	4,898
Publications		800	1,139
Boards and commissions		1,365	927
Business expenditures		4,070	7,641
Total other charges		35,112	34,744
Total administrative services		532,812	515,205
Finance			
Personnel services			
Regular salaries		245,000	247,709
Part time wages		17,000	16,098
IMRF		26,500	23,597
FICA		19,750	19,738
Total personnel services		308,250	307,142
Contractual services			
Printing		1,150	741
Equipment maintenance		230	205
Professional services		34,100	28,570
Legal notices		1,075	1,515
Total contractual services		36,555	31,031

(This schedule is continued on the following pages.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL CORPORATE FUND

For the Year Ended December 31, 2023

	Original and Final Appropriation	Original and Final Budget	Actual
GENERAL GOVERNMENT (Continued)			
Finance (Continued)			
Other charges			
Memberships		$ 1,170	$ 918
Professional development		4,150	3,451
Minor equipment		250	340
Business expenditures		725	184
Total other charges		6,295	4,893
Total finance		351,100	343,066
Insurance and common			
Contractual services			
Telephone		12,220	13,807
Printing		21,600	14,762
Equipment maintenance		420	420
Professional services		147,070	57,385
Data systems		75,870	42,905
Postage		9,850	9,511
Duplicating		6,840	8,174
Medical insurance		944,000	919,652
General insurance		264,150	244,417
Outside services		270,860	271,880
Total contractual services		1,752,880	1,582,913
Commodities			
Office supplies		7,500	4,204
Total commodities		7,500	4,204
Other charges			
Senior citizen tax relief		1,350	640
Bad debt provision		-	6
Total other charges		1,350	646
Capital outlay			
Computer equipment		20,000	24,161
Total capital outlay		20,000	24,161
Total insurance and common		1,781,730	1,611,924
Total general government		2,665,642	2,470,195

(This schedule is continued on the following pages.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL CORPORATE FUND

For the Year Ended December 31, 2023

	Original and Final Appropriation	Original and Final Budget	Actual
PUBLIC SAFETY			
Police			
Personnel services			
Regular salaries		$ 2,960,000	$ 2,940,954
Overtime salaries		225,000	172,956
Overtime contract services		32,000	45,263
Retirement reserves		1,105,431	1,099,786
Other benefits		4,800	13,714
IMRF		26,000	16,855
FICA		60,000	58,146
Total personnel services		4,413,231	4,347,674
Contractual services			
Printing		6,100	5,014
Equipment maintenance		9,250	4,070
Professional services		93,400	78,583
Outside services		900	900
Data systems		82,156	95,182
Total contractual services		191,806	183,749
Commodities			
Maintenance materials		40,660	24,913
Total commodities		40,660	24,913
Other charges			
Memberships		9,677	10,349
Vehicle expenditures		204,375	204,072
Professional development		69,705	64,239
Publications		600	581
Uniforms		65,650	41,315
Community programs		10,500	3,304
Officer testing		9,200	14,665
Equipment - furniture		1,000	3,994
Minor equipment		113,600	95,866
Business expenditures		6,000	11,628
Total other charges		490,307	450,013
Total public safety		5,136,004	5,006,349

(This schedule is continued on the following pages.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL CORPORATE FUND

For the Year Ended December 31, 2023

	Original and Final Appropriation	Original and Final Budget	Actual
COMMUNITY AND ECONOMIC DEVELOPMENT			
Administration			
Personnel services			
Regular salaries		$ 345,000	$ 369,970
Part time wages		43,000	49,386
IMRF		42,000	40,451
FICA		30,250	31,308
Total personnel services		460,250	491,115
Contractual services			
Vehicle expenditures		5,808	5,808
Professional services		97,800	117,177
Legal notices		3,000	572
Outside services		119,500	98,513
Total contractual services		226,108	222,070
Other charges			
Professional development		6,845	4,661
Business expenditures		36,255	37,718
Economic development initiatives		10,000	6,656
Economic development incentives		450,000	406,534
Equipment and clothing		200	279
Total other charges		503,300	455,848
Total community and economic development		1,189,658	1,169,033
PUBLIC WORKS			
Administration			
Personnel services			
Regular salaries		210,000	196,490
IMRF		22,500	20,226
FICA		16,000	14,373
Total personnel services		248,500	231,089
Contractual services			
Professional services		21,000	17,969
Legal notices		1,000	730
Outside services		4,800	4,800
Total contractual services		26,800	23,499

(This schedule is continued on the following pages.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL CORPORATE FUND

For the Year Ended December 31, 2023

	Original and Final Appropriation	Original and Final Budget	Actual
PUBLIC WORKS (Continued)			
Administration (Continued)			
Other charges			
Memberships		$ 6,115	$ 4,774
Vehicle expenditures		1,120	1,125
Professional development		6,000	1,444
Business expenditures		1,000	2,171
Total other charges		14,235	9,514
Capital outlay			
Office charges		1,000	1,287
Total capital outlay		1,000	1,287
Total administration		290,535	265,389
Streets			
Personnel services			
Regular salaries		415,000	420,549
Overtime salaries		50,000	42,155
IMRF		45,000	47,193
FICA		33,000	32,837
Total personnel services		543,000	542,734
Contractual services			
Equipment maintenance		500	-
Electric utilities		14,000	14,998
Pavement maintenance		68,000	51,555
Outside services		212,500	236,370
Total contractual services		295,000	302,923
Commodities			
Maintenance materials		21,000	17,030
Repair and restoration		59,500	4,703
Construction materials		4,900	5,784
Snow and ice control		72,500	61,837
Total commodities		157,900	89,354
Other charges			
Vehicle expenditures		175,356	175,361
Professional development		4,300	1,760
Uniforms		3,750	4,537

(This schedule is continued on the following pages.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL CORPORATE FUND

For the Year Ended December 31, 2023

	Original and Final Appropriation	Original and Final Budget	Actual
PUBLIC WORKS (Continued)			
Streets (Continued)			
Other charges (Continued)			
Minor equipment		$ 2,000	$ 4,395
Recycling		4,400	4,268
Business expenditures		500	533
Total other charges		190,306	190,854
Total streets		1,186,206	1,125,865
Buildings and grounds			
Contractual services			
Equipment maintenance		500	-
Outside services		128,000	130,960
Total contractual services		128,500	130,960
Commodities			
Maintenance materials		15,000	18,954
Repair and restoration		1,000	1,268
Construction materials		3,000	6,795
Total commodities		19,000	27,017
Other charges			
Minor equipment		4,000	8,429
Vehicle expenditures		5,808	5,808
Business expenditures		1,000	813
Total other charges		10,808	15,050
Total buildings and grounds		158,308	173,027
Total public works		1,635,049	1,564,281
PARKS AND OPEN SPACES			
Parks and grounds			
Personnel services			
Regular salaries		415,000	420,550
Part time wages		15,000	6,468
Overtime salaries		15,000	15,355
IMRF		45,000	47,193
FICA		33,500	33,410
Total personnel services		523,500	522,976

(This schedule is continued on the following page.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL CORPORATE FUND

For the Year Ended December 31, 2023

	Original and Final Appropriation	Original and Final Budget	Actual
PARKS AND OPEN SPACES (Continued)			
Parks and grounds (Continued)			
Contractual services			
Equipment maintenance		$ 500	$ 255
Professional services		77,380	78,827
Gas utilities		4,000	1,752
Electric utilities		15,000	20,153
Outside services		105,250	108,336
Lighting maintenance		8,513	6,624
Landscape maintenance		324,000	353,227
Wildlife maintenance		1,500	-
Special events		140,000	139,102
Total contractual services		676,143	708,276
Commodities			
Maintenance materials		32,000	27,691
Repair and restoration		8,500	12,139
Construction materials		5,500	2,242
Total commodities		46,000	42,072
Other charges			
Memberships		580	380
Vehicle expenditures		134,701	134,706
Professional development		1,500	1,522
Uniforms		4,300	5,203
Minor equipment		16,300	24,747
Business expenditures		500	2,889
Total other charges		157,881	169,447
Total parks and grounds		1,403,524	1,442,771
TOTAL EXPENDITURES	$ 13,803,000	$ 12,029,877	$ 11,652,629

(See independent auditor's report.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL CAPITAL PROJECTS FUND

For the Year Ended December 31, 2023

	Original and Final Appropriation	Original and Final Budget	Actual
REVENUES			
Miscellaneous			
Other income		$ -	$ 97,655
Total revenues		-	97,655
EXPENDITURES			
Capital outlay		2,305,900	1,187,940
Total expenditures	$ 2,650,000	2,305,900	1,187,940
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		(2,305,900)	(1,090,285)
OTHER FINANCING SOURCES (USES)			
Transfers in		(588,000)	2,606,979
Proceeds from sale of capital assets		917,740	-
Total other financing sources (uses)		329,740	2,606,979
NET CHANGE IN FUND BALANCE		$ (1,976,160)	1,516,694
FUND BALANCE, JANUARY 1			7,060,746
FUND BALANCE, DECEMBER 31			$ 8,577,440

(See independent auditor's report.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

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

For the Year Ended December 31, 2023

	Original and Final Appropriation	Original and Final Budget	Actual
REVENUES			
Property taxes		$ 1,160,625	$ 1,161,410
Investment income		18,070	28,747
Total revenues		1,178,695	1,190,157
EXPENDITURES			
Debt service			
Principal		560,000	560,000
Interest and fiscal charges		607,425	597,087
Total expenditures	$ 1,290,000	1,167,425	1,157,087
NET CHANGE IN FUND BALANCE		$ 11,270	33,070
FUND BALANCE, JANUARY 1			2,283,921
FUND BALANCE, DECEMBER 31			$ 2,316,991

(See independent auditor's report.)

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.

Enhanced 911 Fund - to account for revenues approved by voters from a surcharge on all local telephone lines. These revenues pay for the design, implementation, upgrade, maintenance and personnel costs of an enhanced 911 emergency dispatch system.

CAPITAL PROJECTS FUNDS

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, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2023

	Special Revenue				Capital Projects		
	Motor Fuel Tax	Fraud, Alcohol and Drug	Enhanced 911	Total Special Revenue	Park Development Capital Projects	Total Capital Projects	Total
ASSETS							
Cash and cash equivalents	$ 437,998	$ 142,110	$ -	$ 580,108	$ 441,786	$ 441,786	$ 1,021,894
Investments	-	-	-	-	909,897	909,897	909,897
Receivables							
Other taxes	30,990	-	-	30,990	-	-	30,990
Other receivable	-	46	-	46	-	-	46
Deposits	-	-	826,926	826,926	-	-	826,926
TOTAL ASSETS	$ 468,988	$ 142,156	$ 826,926	$ 1,438,070	$ 1,351,683	$ 1,351,683	$ 2,789,753

	Special Revenue				Capital Projects		
	Motor Fuel Tax	Fraud, Alcohol and Drug	Enhanced 911	Total Special Revenue	Park Development Capital Projects	Total Capital Projects	Total
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
LIABILITIES							
Accounts payable	$ -	$ 9,072	$ -	$ 9,072	$ -	$ -	9,072
Total liabilities	-	9,072	-	9,072	-	-	9,072
DEFERRED INFLOWS OF RESOURCES							
None	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Total liabilities and deferred inflows of resources	-	9,072	-	9,072	-	-	9,072
FUND BALANCES							
Restricted for maintenance of roadways	468,988	-	-	468,988	-	-	468,988
Restricted for public safety	-	133,084	826,926	960,010	-	-	960,010
Restricted for park improvements	-	-	-	-	1,200,314	1,200,314	1,200,314
Unrestricted							
Assigned for capital projects	-	-	-	-	151,369	151,369	151,369
Total fund balances	468,988	133,084	826,926	1,428,998	1,351,683	1,351,683	2,780,681
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 468,988	$ 142,156	$ 826,926	$ 1,438,070	$ 1,351,683	$ 1,351,683	$ 2,789,753

(See independent auditor's report.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

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

For the Year Ended December 31, 2023

	Special Revenue				Capital Projects		
	Motor Fuel Tax	Fraud, Alcohol and Drug	Enhanced 911	Total Special Revenue	Park Development Capital Projects	Total Capital Projects	Total
REVENUES							
Fines and forfeitures	$ -	$ 496	$ -	$ 496	$ -	$ -	$ 496
Intergovernmental	365,280	-	449,683	814,963	-	-	814,963
Investment income	5,539	-	9,374	14,913	5,155	5,155	20,068
Donations	-	-	-	-	29,879	29,879	29,879
Total revenues	370,819	496	459,057	830,372	35,034	35,034	865,406
EXPENDITURES							
Current							
Public safety	-	-	226,770	226,770	-	-	226,770
Public works	687,943	-	-	687,943	-	-	687,943
Total expenditures	687,943	-	226,770	914,713	-	-	914,713
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(317,124)	496	232,287	(84,341)	35,034	35,034	(49,307)
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	594,639	594,639	-	-	594,639
Transfers (out)	-	-	-	-	(356,979)	(356,979)	(356,979)
Total other financing sources (uses)	-	-	594,639	594,639	(356,979)	(356,979)	237,660
NET CHANGE IN FUND BALANCE	(317,124)	496	826,926	510,298	(321,945)	(321,945)	188,353
FUND BALANCES, JANUARY 1	786,112	132,588	-	918,700	1,673,628	1,673,628	2,592,328
FUND BALANCES, DECEMBER 31	$ 468,988	$ 133,084	$ 826,926	$ 1,428,998	$ 1,351,683	$ 1,351,683	$ 2,780,681

(See independent auditor's report.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

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

For the Year Ended December 31, 2023

	Original and Final Appropriation	Original and Final Budget	Actual
REVENUES			
Intergovernmental			
Allotments earned		$ 300,000	$ 365,280
Investment income		450	5,539
Total revenues		300,450	370,819
EXPENDITURES			
Public works			
Contractual services		780,000	687,943
Total expenditures	$ 860,000	780,000	687,943
NET CHANGE IN FUND BALANCE		$ (479,550)	(317,124)
FUND BALANCE, JANUARY 1			786,112
FUND BALANCE, DECEMBER 31			$ 468,988

(See independent auditor's report.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ENHANCED 911 FUND

For the Year Ended December 31, 2023

	Original and Final Appropriation	Original and Final Budget	Actual
REVENUES			
Other taxes			
E911 surcharges		$ 384,000	$ 449,683
Investment income		100	9,374
Total revenues		384,100	459,057
EXPENDITURES			
Public safety			
Contractual services		378,000	226,770
Total expenditures	$ 420,000	378,000	226,770
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		6,100	232,287
OTHER FINANCING SOURCES (USES)			
Transfers in		-	594,639
Total other financing sources (uses)		-	594,639
NET CHANGE IN FUND BALANCE		$ 6,100	826,926
FUND BALANCE, JANUARY 1			-
FUND BALANCE, DECEMBER 31			$ 826,926

(See independent auditor's report.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PARK DEVELOPMENT CAPITAL PROJECTS FUND

For the Year Ended December 31, 2023

	Original and Final Appropriation	Original and Final Budget	Actual
REVENUES			
Investment income		$ 1,200	$ 5,155
Park donations		-	29,879
Total revenues		1,200	35,034
EXPENDITURES			
None		-	-
Total expenditures		-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		1,200	35,034
OTHER FINANCING SOURCES (USES)			
Transfers (out)	$ 785,000	(712,000)	(356,979)
Total other financing sources (uses)		(712,000)	(356,979)
NET CHANGE IN FUND BALANCE		$ (710,800)	(321,945)
FUND BALANCE, JANUARY 1			1,673,628
FUND BALANCE, DECEMBER 31			$ 1,351,683

(See independent auditor's report.)

ENTERPRISE FUND

Water and Sanitary Sewer Fund - to account for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, capital improvements, financing and related debt service and billing and collection. 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, ILLINOIS

COMBINING SCHEDULE OF NET POSITION
WATER AND SANITARY SEWER FUND

December 31, 2023

	Revenue Account	Improvement Account	Total
CURRENT ASSETS			
Cash and cash equivalents	$ 1,440,036	$ (151,560)	$ 1,288,476
Investments	424,675	29,814	454,489
Receivables			
Accounts - billed	357,888	-	357,888
Accounts - unbilled	406,688	-	406,688
Due from other funds	500	-	500
Prepaid expenses	22,322	-	22,322
Total current assets	2,652,109	(121,746)	2,530,363
CAPITAL ASSETS			
Nondepreciable	189,684	-	189,684
Depreciable (net of accumulated depreciation)	32,723,730	-	32,723,730
Net capital assets	32,913,414	-	32,913,414
Total assets	35,565,523	(121,746)	35,443,777
DEFERRED OUTFLOWS OF RESOURCES			
Pension items - IMRF	451,532	-	451,532
Total deferred outflows of resources	451,532	-	451,532
CURRENT LIABILITIES			
Accounts payable	545,585	15,149	560,734
Accrued payroll	12,504	-	12,504
Compensated absences payable	27,674	-	27,674
OPEB liability	14,110	-	14,110
Total current liabilities	599,873	15,149	615,022
LONG-TERM LIABILITIES			
IMRF net pension liability	771,051	-	771,051
OPEB liability	234,379	-	234,379
Total long-term liabilities	1,005,430	-	1,005,430
Total liabilities	1,605,303	15,149	1,620,452

(This schedule is continued on the following page.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

COMBINING SCHEDULE OF NET POSITION (Continued)
WATER AND SANITARY SEWER FUND

December 31, 2023

	Revenue Account	Improvement Account	Total
DEFERRED INFLOWS OF RESOURCES			
Pension items - IMRF	$ 24,356	$ -	$ 24,356
Total deferred inflows of resources	24,356	-	24,356
NET POSITION			
Net investment in capital assets	32,913,414	-	32,913,414
Unrestricted (deficit)	1,473,982	(136,895)	1,337,087
TOTAL NET POSITION (DEFICIT)	$ 34,387,396	$ (136,895)	$ 34,250,501

(See independent auditor's report.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

COMBINING SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
WATER AND SANITARY SEWER FUND

For the Year Ended December 31, 2023

	Revenue Account	Improvement Account	Eliminations	Total
OPERATING REVENUES				
Charges for services	$ 5,825,145	$ -	$ -	$ 5,825,145
Miscellaneous	17,603	-	-	17,603
Total operating revenues	5,842,748	-	-	5,842,748
OPERATING EXPENSES				
Administration	618,523	-	-	618,523
Operations	4,495,924	-	-	4,495,924
Capital outlay	-	464,162	-	464,162
Total operating expenses	5,114,447	464,162	-	5,578,609
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	728,301	(464,162)	-	264,139
Depreciation	1,771,149	-	-	1,771,149
OPERATING INCOME (LOSS)	(1,042,848)	(464,162)	-	(1,507,010)
NON-OPERATING REVENUES (EXPENSES)				
Investment income	21,418	8,440	-	29,858
Connection fees	-	16,785	-	16,785
Total non-operating revenues (expenses)	21,418	25,225	-	46,643
NET INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(1,021,430)	(438,937)	-	(1,460,367)
CONTRIBUTIONS				
Contributions of capital assets	4,032	-	(4,032)	-
Total contributions	4,032	-	(4,032)	-
TRANSFERS				
Transfers in	-	755,000	-	755,000
Transfers (out)	(600,000)	(4,032)	4,032	(600,000)
Total transfers	(600,000)	750,968	4,032	155,000
CHANGE IN NET POSITION	(1,617,398)	312,031	-	(1,305,367)
NET POSITION, JANUARY 1	36,004,794	(448,926)	-	35,555,868
NET POSITION (DEFICIT), DECEMBER 31	$ 34,387,396	$ (136,895)	$ -	$ 34,250,501

(See independent auditor's report.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL - BUDGETARY BASIS
WATER AND SANITARY SEWER FUND - REVENUE ACCOUNT

For the Year Ended December 31, 2023

	Original and Final Appropriation	Original and Final Budget	Actual
OPERATING REVENUES			
Charges for services			
Water and sanitary sewer fees		$ 5,365,000	$ 5,825,145
Miscellaneous			
Other		7,000	17,603
Total operating revenues		5,372,000	5,842,748
OPERATING EXPENSES			
Administration			
Personnel services		291,000	285,256
Contractual services		330,130	330,420
Commodities		1,000	522
Other charges		2,320	2,325
Operations			
Personnel services		537,000	511,723
Contractual services		4,122,900	3,803,603
Commodities		29,950	47,826
Other charges		64,179	78,089
Total operating expenses excluding depreciation	$ 5,925,000	5,378,479	5,059,764
OPERATING INCOME (LOSS)		(6,479)	782,984
NON-OPERATING REVENUES (EXPENSES)			
Investment income		2,500	21,418
Total non-operating revenues (expenses)		2,500	21,418
NET INCOME (LOSS) BEFORE TRANSFERS		(3,979)	804,402
TRANSFERS			
Transfers (out)		-	(600,000)
Total transfers		-	(600,000)
CHANGE IN NET POSITION		$ (3,979)	204,402
ADJUSTMENTS TO GAAP BASIS			
Contribution of capital assets			4,032
Depreciation			(1,771,149)
Pension expense			(30,130)
OPEB expense			(24,553)
Total adjustments to GAAP basis			(1,821,800)
CHANGE IN NET POSITION (GAAP BASIS)			(1,617,398)
NET POSITION, JANUARY 1			36,004,794
NET POSITION, DECEMBER 31			$ 34,387,396

(See independent auditor's report.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL - BUDGETARY BASIS
WATER AND SANITARY SEWER FUND - IMPROVEMENT ACCOUNT

For the Year Ended December 31, 2023

	Original and Final Appropriation	Original and Final Budget	Actual
OPERATING REVENUES			
None		$ -	$ -
Total operating revenues		-	-
OPERATING EXPENSES			
Capital outlay		1,401,061	464,162
Total operating expenses	$ 1,800,000	1,401,061	464,162
OPERATING INCOME (LOSS)		(1,401,061)	(464,162)
NON-OPERATING REVENUES (EXPENSES)			
Investment income		2,000	8,440
Connection fees		50,000	16,785
Total non-operating revenues (expenses)		52,000	25,225
NET INCOME (LOSS) BEFORE TRANSFERS		(1,349,061)	(438,937)
TRANSFERS			
Transfers in		1,300,000	755,000
Total transfers		1,300,000	755,000
CHANGE IN NET POSITION (BUDGETARY BASIS)		$ (49,061)	316,063
ADJUSTMENTS TO GAAP BASIS			
Transfer of capital assets			(4,032)
Total adjustments to GAAP basis			(4,032)
CHANGE IN NET POSITION (GAAP BASIS)			312,031
NET POSITION (DEFICIT), JANUARY 1			(448,926)
NET POSITION (DEFICIT), DECEMBER 31			$ (136,895)

(See independent auditor's report.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

COMBINING SCHEDULE OF NET POSITION
STORM SEWER FUND

December 31, 2023

	Revenue Account	Improvement Account	Total
CURRENT ASSETS			
Cash and cash equivalents	$ 226,536	$ 156,229	$ 382,765
Investments	-	3,937,259	3,937,259
Receivables			
Accounts - billed	80,725	-	80,725
Prepaid expenses	105	-	105
Total current assets	307,366	4,093,488	4,400,854
CAPITAL ASSETS			
Nondepreciable	986,109	-	986,109
Depreciable (net of accumulated depreciation)	6,248,864	-	6,248,864
Net capital assets	7,234,973	-	7,234,973
Total assets	7,542,339	4,093,488	11,635,827
DEFERRED OUTFLOWS OF RESOURCES			
Pension items - IMRF	64,505	-	64,505
Total deferred outflows of resources	64,505	-	64,505
CURRENT LIABILITIES			
Accounts payable	4,224	34,592	38,816
Accrued payroll	1,834	-	1,834
Accrued interest	-	10,217	10,217
General obligation bonds payable	-	75,000	75,000
Compensated abscences payable	5,597	-	5,597
OPEB liability	2,170	-	2,170
Total current liabilities	13,825	119,809	133,634
LONG-TERM LIABILITIES			
General obligation bonds payable	-	3,240,000	3,240,000
IMRF net pension liability	110,152	-	110,152
OPEB liability	26,825	-	26,825
Total long-term liabilities	136,977	3,240,000	3,376,977
Total liabilities	150,802	3,359,809	3,510,611

(This schedule is continued on the following page.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

COMBINING SCHEDULE OF NET POSITION (Continued)
STORM SEWER FUND

December 31, 2023

	Revenue Account	Improvement Account	Total
DEFERRED INFLOWS OF RESOURCES			
Pension items - IMRF	$ 3,476	$ -	$ 3,476
Total deferred inflows of resources	3,476	-	3,476
NET POSITION			
Net investment in capital assets	7,234,973	(28,262)	7,206,711
Unrestricted	217,593	761,941	979,534
TOTAL NET POSITION	$ 7,452,566	$ 733,679	$ 8,186,245

(See independent auditor's report.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

COMBINING SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
STORM SEWER FUND

For the Year Ended December 31, 2023

	Revenue Account	Improvement Account	Eliminations	Total
OPERATING REVENUES				
Charges for services	$ 968,812	$ -	$ -	$ 968,812
Total operating revenues	968,812	-	-	968,812
OPERATING EXPENSES				
Administration	204,001	-	-	204,001
Capital outlay	-	179,578	-	179,578
Total operating expenses	204,001	179,578	-	383,579
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	764,811	(179,578)	-	585,233
Depreciation	325,932	-	-	325,932
OPERATING INCOME (LOSS)	438,879	(179,578)	-	259,301
NON-OPERATING REVENUES (EXPENSES)				
Investment income	-	121,484	-	121,484
Interest expense and fiscal charges	-	(150,091)	-	(150,091)
Total non-operating revenues (expenses)	-	(28,607)	-	(28,607)
NET INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	438,879	(208,185)	-	230,694
CONTRIBUTIONS				
Capital contributions	256,324	-	(256,324)	-
Total contributions	256,324	-	(256,324)	-
TRANSFERS				
Transfers in	440,000	1,320,000	(1,320,000)	440,000
Transfers (out)	(1,320,000)	(256,324)	1,576,324	-
Total transfers	(880,000)	1,063,676	256,324	440,000
CHANGE IN NET POSITION	(184,797)	855,491	-	670,694
NET POSITION (DEFICIT), JANUARY 1	7,637,363	(121,812)	-	7,515,551
NET POSITION, DECEMBER 31	$ 7,452,566	$ 733,679	$ -	$ 8,186,245

(See independent auditor's report.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL - BUDGETARY BASIS
STORM SEWER FUND - REVENUE ACCOUNT

For the Year Ended December 31, 2023

	Original and Final Appropriation	Original and Final Budget	Actual
OPERATING REVENUES			
Charges for services			
Water and sanitary sewer fees		$ 925,000	$ 968,812
Total operating revenues		925,000	968,812
OPERATING EXPENSES			
Administration			
Personnel services		98,000	100,832
Contractual services		109,475	94,095
Total operating expenses excluding depreciation	$ 1,685,000	207,475	194,927
NET INCOME (LOSS) BEFORE TRANSFERS		717,525	773,885
TRANSFERS			
Transfers in		440,000	440,000
Transfers (out)		(1,320,000)	(1,320,000)
Total transfers		(880,000)	(880,000)
CHANGE IN NET POSITION (BUDGETARY BASIS)		$ (162,475)	(106,115)
ADJUSTMENTS TO GAAP BASIS			
Contribution of capital assets			256,324
Depreciation			(325,932)
Pension expense			(4,305)
OPEB expense			(4,769)
Total adjustments to GAAP basis			(78,682)
CHANGE IN NET POSITION (GAAP BASIS)			(184,797)
NET POSITION, JANUARY 1			7,637,363
NET POSITION, DECEMBER 31			$ 7,452,566

(See independent auditor's report.)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL - BUDGETARY BASIS
STORM SEWER FUND - IMPROVEMENT ACCOUNT

For the Year Ended December 31, 2023

	Original and Final Appropriation	Original and Final Budget	Actual
OPERATING REVENUES			
None		$ -	$ -
Total operating revenues		-	-
OPERATING EXPENSES			
Capital outlay		4,665,000	179,578
Total operating expenses	$ 6,150,000	4,665,000	179,578
OPERATING INCOME (LOSS)		(4,665,000)	(179,578)
NON-OPERATING REVENUES (EXPENSES)			
Investment income		35,000	121,484
Principal Retirement		(750,000)	(750,000)
Interest and fiscal charges		(140,000)	(150,091)
Total non-operating revenues (expenses)		(855,000)	(778,607)
NET INCOME (LOSS) BEFORE TRANSFERS		(5,520,000)	(958,185)
TRANSFERS			
Transfers in		1,320,000	1,320,000
Total transfers		1,320,000	1,320,000
CHANGE IN NET POSITION (BUDGETARY BASIS)		$ (4,200,000)	361,815
ADJUSTMENTS TO GAAP BASIS			
Transfer of capital assets			(256,324)
Principal Retirement			750,000
Total adjustments to GAAP basis			493,676
CHANGE IN NET POSITION (GAAP BASIS)			855,491
NET POSITION (DEFICIT), JANUARY 1			(121,812)
NET POSITION, DECEMBER 31			$ 733,679

(See independent auditor's report.)

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, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL - BUDGETARY BASIS
VEHICLE MAINTENANCE AND OPERATIONS FUND

For the Year Ended December 31, 2023

	Original and Final Appropriation	Original and Final Budget	Actual
OPERATING REVENUES			
Interfund services			
General Fund		$ 522,707	$ 522,708
Water and Sanitary Sewer Fund		58,077	58,077
Total operating revenues		580,784	580,785
OPERATING EXPENSES			
Personnel services			
Regular salaries		180,000	152,680
Overtime salaries		11,000	12,649
Total personnel services		191,000	165,329
Professional services			
Equipment maintenance		3,000	282
Medical insurance		60,300	58,312
General insurance		20,260	19,488
Outside services		86,500	79,817
Total professional services		170,060	157,899
Commodities			
Maintenance materials		9,500	7,083
Gasoline		60,000	67,620
Diesel		25,000	19,326
Oil and antifreeze		5,000	5,710
Vehicle tires		10,000	8,633
Vehicle maintenance parts		41,500	35,457
Total commodities		151,000	143,829
Other charges			
Memberships		250	50
Professional development		4,000	114
Publications		1,500	1,500
Uniforms		3,500	5,640
IMRF		20,500	20,226
FICA		15,000	12,891
Total other charges		44,750	40,421
Total operating expenses	$ 615,000	556,810	507,478
CHANGE IN NET POSITION (BUDGETARY BASIS)		$ 23,974	73,307
ADJUSTMENTS TO GAAP BASIS			
Pension expense			(8,611)
OPEB expense			3,291
Total adjustments to GAAP basis			(5,320)
CHANGE IN NET POSITION (GAAP BASIS)			67,987
NET POSITION (DEFICIT), JANUARY 1			(104,609)
NET POSITION (DEFICIT), DECEMBER 31			$ (36,622)

(See independent auditor's report.)

FIDUCIARY FUND

VILLAGE OF LINCOLNSHIRE, ILLINOIS

SCHEDULE OF CHANGES IN PLAN NET POSITION - BUDGET AND ACTUAL
POLICE PENSION FUND

For the Year Ended December 31, 2023

	Original and Final Appropriation	Original and Final Budget	Actual
ADDITIONS			
Contributions - employer		$ 1,065,903	$ 1,099,786
Contributions - employee		250,000	246,364
Contributions - buy back		-	133,642
Total contributions		1,315,903	1,479,792
Investment income			
Net appreciation in fair value of investments		-	3,283,893
Interest earned on investments		505,000	183,656
Total investment income		505,000	3,467,549
Less investment expense		(15,000)	(42,502)
Net investment income		490,000	3,425,047
Total additions		1,805,903	4,904,839
DEDUCTIONS			
Administrative		41,500	27,029
Benefits and refunds		1,650,000	1,566,978
Total deductions	$ 1,950,000	1,691,500	1,594,007
NET INCREASE		$ 114,403	3,310,832
NET POSITION RESTRICTED FOR PENSIONS			
January 1			25,559,530
December 31			$ 28,870,362

(See independent auditor's report.)

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 disclosures and required supplementary information says about the Village's overall financial health.

Contents	Page(s)
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.	94-103
Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue source, the sales tax.	104-106
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.	107-110
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	111-112
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.	113-120

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

VILLAGE OF LINCOLNSHIRE, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2014	2015*	2016	2017
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	$ 69,798,415	$ 69,382,066	$ 69,513,712	$ 70,092,708
Restricted	2,647,313	2,725,241	2,820,674	3,886,431
Unrestricted	4,589,920	(5,885,183)	(5,329,015)	(5,139,310)
TOTAL GOVERNMENTAL ACTIVITIES	$ 77,035,648	$ 66,222,124	$ 67,005,371	$ 68,839,829
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	$ 35,045,804	$ 34,970,306	$ 33,849,040	$ 34,152,185
Restricted	-	-	-	-
Unrestricted	2,239,565	763,102	991,465	1,910,776
TOTAL BUSINESS-TYPE ACTIVITIES	$ 37,285,369	$ 35,733,408	$ 34,840,505	$ 36,062,961
PRIMARY GOVERNMENT				
Net investment in capital assets	$ 104,844,219	$ 104,352,372	$ 103,362,752	$ 104,244,893
Restricted	2,647,313	2,725,241	2,820,674	3,886,431
Unrestricted	6,829,485	(5,122,081)	(4,337,550)	(3,228,534)
TOTAL PRIMARY GOVERNMENT	$ 114,321,017	$ 101,955,532	$ 101,845,876	$ 104,902,790

*The Village implemented GASB Statement No. 68 for the fiscal year ended December 31, 2015.
**The Village implemented GASB 75 for the fiscal year ended December 31, 2018.

Data Source

Audited Financial Statements

2018**	2019	2020	2021	2022	2023
$ 69,597,751	$ 68,438,606	$ 68,197,648	$ 68,270,324	$ 60,364,049	$ 60,037,735
4,579,166	5,280,725	4,999,882	4,881,965	6,278,384	4,946,303
(5,598,995)	(4,527,338)	(5,681,104)	(6,113,440)	(3,768,140)	(275,771)
$ 68,577,922	$ 69,191,993	$ 67,516,426	$ 67,038,849	$ 62,874,293	$ 64,708,267
$ 34,238,784	$ 34,191,527	$ 32,880,933	$ 34,260,811	$ 41,764,440	$ 40,120,125
-	-	-	-	301,167	-
961,613	983,522	914,475	897,539	1,005,812	2,316,621
$ 35,200,397	$ 35,175,049	$ 33,795,408	$ 35,158,350	$ 43,071,419	$ 42,436,746
$ 103,836,535	$ 102,630,133	$ 101,078,581	$ 102,531,135	$ 102,128,489	$ 100,157,860
4,579,166	5,280,725	4,999,882	4,881,965	6,579,551	4,946,303
(4,637,382)	(3,543,816)	(4,766,629)	(5,215,901)	(2,762,328)	2,040,850
$ 103,778,319	$ 104,367,042	$ 101,311,834	$ 102,197,199	$ 105,945,712	$ 107,145,013

VILLAGE OF LINCOLNSHIRE, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2014	2015*	2016	2017
EXPENSES				
Governmental Activities				
General government	$ 3,204,077	$ 3,261,101	$ 3,070,618	$ 2,821,648
Public safety	3,921,903	4,224,091	4,592,881	4,553,263
Community and economic development	562,297	846,364	843,023	1,109,782
Public works	1,912,541	2,525,799	2,684,373	2,580,095
Parks and open spaces	2,000,840	1,594,035	1,850,099	1,866,928
Interest	890,093	844,605	764,597	762,720
Total governmental activities expenses	12,491,751	13,295,995	13,805,591	13,694,436
Business-Type Activities				
Water and sewer	5,501,426	5,561,073	5,917,486	6,129,605
Storm sewer	-	-	-	-
Total business-type activities expenses	5,501,426	5,561,073	5,917,486	6,129,605
TOTAL PRIMARY GOVERNMENT EXPENSES	$ 17,993,177	$ 18,857,068	$ 19,723,077	$ 19,824,041
PROGRAM REVENUES				
Governmental Activities				
Charges for services				
General government	$ 328,654	$ 316,593	$ 360,272	$ 423,853
Public safety	866,101	841,785	739,850	779,896
Community development	364,734	364,724	320,000	637,123
Public works	17,370	16,489	35,999	32,995
Parks and recreation	38,082	39,668	40,212	27,670
Operating grants and contributions	362,589	246,279	230,860	1,735,927
Capital grants and contributions	67,904	57,602	179,635	1,080,392
Total governmental activities program revenues	2,045,434	1,883,140	1,906,828	4,717,856
Business-Type Activities				
Charges for services				
Water and sewer	4,001,441	3,840,582	4,983,740	6,000,952
Storm Sewer	-	-	-	-
Capital grants and contributions	473,595	-	-	309,320
Total business-type activities program revenues	4,475,036	3,840,582	4,983,740	6,310,272
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	$ 6,520,470	$ 5,723,722	$ 6,890,568	$ 11,028,128
NET (EXPENSE) REVENUE				
Governmental activities	$ (10,446,317)	$ (11,412,855)	$ (11,898,763)	$ (8,976,580)
Business-type activities	(1,026,390)	(1,720,491)	(933,746)	180,667
TOTAL PRIMARY GOVERNMENT NET (EXPENSE) REVENUE	$ (11,472,707)	$ (13,133,346)	$ (12,832,509)	$ (8,795,913)

2018	2019	2020	2021	2022	2023
$ 3,012,238	$ 3,355,419	$ 2,701,606	$ 3,543,226	$ 2,560,650	$ 3,106,960
4,969,667	5,325,833	4,162,254	3,611,574	4,841,701	5,157,915
1,119,296	972,349	944,145	746,138	862,004	1,200,278
2,398,725	2,800,379	3,598,874	2,479,941	1,936,227	2,215,691
1,853,000	2,040,594	2,270,981	2,088,589	1,885,091	2,336,467
726,110	698,646	669,583	639,013	606,041	585,514
14,079,036	15,193,220	14,347,443	13,108,481	12,691,714	14,602,825
5,924,162	5,914,640	6,798,795	6,542,141	6,248,224	7,349,758
-	-	-	-	720,741	859,602
5,924,162	5,914,640	6,798,795	6,542,141	6,968,965	8,209,360
$ 20,003,198	$ 21,107,860	$ 21,146,238	$ 19,650,622	$ 19,660,679	$ 22,812,185
$ 345,387	$ 308,809	$ 293,305	$ 233,324	$ 350,725	$ 358,703
868,497	1,038,868	932,651	1,141,494	1,241,811	1,185,515
355,501	377,226	289,008	286,279	348,244	395,735
36,976	25,436	19,200	33,901	46,771	19,200
20,346	36,525	30,403	41,964	28,238	33,700
1,411,362	1,060,899	1,062,328	1,187,324	1,140,802	464,295
17,023	233,098	-	498,435	-	-
3,055,092	3,080,861	2,626,895	3,422,721	3,156,591	2,457,148
4,707,901	5,127,653	5,144,814	5,503,642	5,536,403	5,859,533
-	-	-	-	960,522	968,812
-	-	-	-	47,494	-
4,707,901	5,127,653	5,144,814	5,503,642	6,544,419	6,828,345
$ 7,762,993	$ 8,208,514	$ 7,771,709	$ 8,926,363	$ 9,701,010	$ 9,285,493
$ (11,023,944)	$ (12,112,359)	$ (11,720,548)	$ (9,685,760)	$ (9,535,123)	$ (12,145,677)
(1,216,261)	(786,987)	(1,653,981)	(1,038,499)	(424,546)	(1,381,015)
$ (12,240,205)	$ (12,899,346)	$ (13,374,529)	$ (10,724,259)	$ (9,959,669)	$ (13,526,692)

VILLAGE OF LINCOLNSHIRE, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2014	2015*	2016	2017
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental Activities				
Taxes				
Property	$ 2,589,086	$ 2,583,554	$ 2,649,278	$ 2,745,211
Home rule sales tax	1,231,097	1,409,339	1,147,067	1,182,998
Utility	1,427,191	1,304,252	1,238,194	1,245,328
Telecommunications	1,041,159	1,172,430	1,215,516	1,190,635
Food and beverage	-	-	-	47,403
Room and admissions	1,831,416	1,931,739	1,873,847	1,699,538
Real estate transfer	364,410	491,669	465,951	732,675
Intergovernmental	3,458,440	3,996,442	3,344,977	2,627,040
Investment income	(38,994)	55,477	76,024	85,826
Miscellaneous	51,699	84,252	180,018	281,384
Gain (loss) on sale of capital assets	19,665	10,235	14,959	-
Transfers in (out)	(96,297)	(906,519)	94,417	(1,027,000)
Total governmental activities	11,878,872	12,132,870	12,300,248	10,811,038
Business-Type Activities				
Investment income	5,503	3,683	4,339	6,714
Gain (loss) on sale of capital assets	-	3,442	10,365	8,075
Transfers in	96,297	906,519	(94,417)	1,027,000
Total business-type activities	101,800	913,644	(79,713)	1,041,789
TOTAL PRIMARY GOVERNMENT	$ 11,980,672	$ 13,046,514	$ 12,220,535	$ 11,852,827
CHANGE IN NET POSITION				
Governmental activities	$ 1,432,555	$ 720,015	$ 401,485	$ 1,834,458
Business-type activities	(924,590)	(806,847)	(1,013,459)	1,222,456
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	$ 507,965	$ (86,832)	$ (611,974)	$ 3,056,914

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

Data Source

Audited Financial Statements

2018	2019	2020	2021	2022	2023
$ 2,784,047	$ 2,816,049	$ 2,734,390	$ 2,933,796	$ 2,814,452	$ 2,947,554
1,672,796	1,688,409	1,089,131	1,452,943	1,801,569	1,960,399
1,281,254	1,271,929	1,150,147	1,177,706	1,257,611	1,117,290
1,060,063	1,037,637	953,406	1,027,171	910,389	916,332
801,681	741,918	388,915	541,944	684,543	677,845
2,016,916	2,076,917	581,881	978,326	1,689,459	1,848,031
540,178	340,446	502,844	452,664	1,005,721	347,739
2,836,458	2,913,425	2,368,238	2,945,375	3,647,763	3,659,453
164,322	329,259	347,192	83,344	(61,144)	684,307
137,929	260,441	199,739	14,914	(85,367)	415,701
-	-	-	-	-	-
(600,000)	(750,000)	(270,902)	(2,400,000)	(8,294,429)	(595,000)
12,695,644	12,726,430	10,044,981	9,208,183	5,370,567	13,979,651
10,024	11,639	3,438	1,441	43,186	151,342
-	-	-	-	-	-
600,000	750,000	270,902	2,400,000	8,294,429	595,000
610,024	761,639	274,340	2,401,441	8,337,615	746,342
$ 13,305,668	$ 13,488,069	$ 10,319,321	$ 11,609,624	$ 13,708,182	$ 14,725,993
$ 1,671,700	$ 614,071	$ (1,675,567)	$ (477,577)	$ (4,164,556)	$ 1,833,974
(606,237)	(25,348)	(1,379,641)	1,362,942	7,913,069	(634,673)
$ 1,065,463	$ 588,723	$ (3,055,208)	$ 885,365	$ 3,748,513	$ 1,199,301

VILLAGE OF LINCOLNSHIRE, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2014	2015	2016	2017
GENERAL FUND				
Nonspendable	$ 775	$ 1,334,089	$ 1,334,267	$ 1,085,980
Restricted	-	-	232,737	-
Unassigned	10,612,821	9,748,038	5,341,222	5,958,900
TOTAL GENERAL FUND	$ 10,613,596	$ 11,082,127	$ 6,908,226	$ 7,044,880
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable	$ -	$ 95,235	$ -	$ -
Restricted	2,647,313	2,725,241	2,587,937	3,886,431
Assigned, reported in				
Capital Project Funds	2,890,228	2,863,321	7,321,790	6,945,065
TOTAL ALL OTHER GOVERNMENTAL FUNDS	$ 5,537,541	$ 5,683,797	$ 9,909,727	$ 10,831,496

Data Source

Audited Financial Statements

2018	2019	2020	2021	2022	2023
$ 1,105,615	$ 1,118,152	$ 1,147,215	$ 1,159,950	$ 1,144,651	$ 1,208,304
-	188,046	205,661	374,480	594,639	-
5,946,536	6,439,359	6,077,731	5,850,974	6,251,028	6,568,327
$ 7,052,151	$ 7,745,557	$ 7,430,607	$ 7,385,404	$ 7,990,318	$ 7,776,631
$ -	$ -	$ -	$ -	$ -	$ -
4,579,166	5,092,679	4,794,221	4,507,485	4,730,035	4,946,303
8,638,655	9,445,929	8,244,229	6,115,589	7,206,960	8,728,809
$ 13,217,821	$ 14,538,608	$ 13,038,450	$ 10,623,074	$ 11,936,995	$ 13,675,112

VILLAGE OF LINCOLNSHIRE, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2014	2015	2016	2017
REVENUES				
Property taxes	$ 2,589,086	$ 2,583,554	$ 2,649,279	$ 2,745,210
Other taxes	9,353,713	10,305,871	9,285,552	8,725,617
Licenses and permits	748,840	737,474	756,480	1,121,642
Fines and penalties	333,321	250,543	259,083	247,652
Charges for services	21,714	12,220	8,286	18,345
Intergovernmental	853,432	804,611	882,978	956,892
Investment income	(38,994)	55,477	76,024	85,826
Donations	20,000	16,520	-	1,514,978
Miscellaneous	119,826	146,024	180,018	281,384
Total revenues	14,000,938	14,912,294	14,097,700	15,697,546
EXPENDITURES				
General government	2,522,842	2,628,626	2,508,311	2,039,025
Public safety	3,799,528	3,991,885	4,304,427	4,515,505
Community and economic development	486,420	974,500	835,438	1,048,711
Public works	1,306,404	1,318,348	1,455,855	1,509,507
Parks and open spaces	1,244,687	1,289,239	1,338,020	1,362,750
Capital outlay	1,944,395	1,603,970	1,867,559	1,511,922
Debt service				
Principal	756,009	787,446	1,052,236	853,858
Interest	878,273	844,605	818,642	770,845
Total expenditures	12,938,558	13,438,619	14,180,488	13,612,123
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,062,380	1,473,675	(82,788)	2,085,423
OTHER FINANCING SOURCES (USES)				
Transfers in	4,580,612	1,435,360	6,345,955	599,101
Transfers (out)	(4,652,715)	(2,317,300)	(6,232,737)	(1,626,101)
Sale of capital assets	19,665	10,235	21,599	-
Total other financing sources (uses)	(52,438)	(871,705)	134,817	(1,027,000)
NET CHANGE IN FUND BALANCES	$ 1,009,942	$ 601,970	$ 52,029	$ 1,058,423
DEBT SERVICE AS A PERCENTAGE OF NONCAPTIAL EXPENDITURES	14.56%	12.88%	14.37%	12.81%

Data Source

Audited Financial Statements

2018	2019	2020	2021	2022	2023
$ 2,784,047	$ 2,816,049	$ 2,734,390	$ 2,933,796	$ 2,814,452	$ 2,947,554
10,209,346	10,070,681	7,034,562	8,973,734	11,451,677	10,527,089
758,710	747,996	630,646	596,948	763,836	818,462
201,801	274,271	235,999	268,385	328,143	183,662
-	-	-	-	-	-
912,229	1,048,699	1,527,098	1,518,275	1,534,995	1,425,145
164,322	462,206	411,223	(8,317)	(257,644)	684,307
1,168,032	776,797	224,727	145,186	64,031	29,879
135,585	127,494	144,133	104,462	105,097	415,701
16,334,072	16,324,193	12,942,778	14,532,469	16,804,587	17,031,799
2,082,316	2,385,912	2,317,682	2,369,909	2,385,579	2,470,195
4,333,803	4,725,305	4,443,593	4,789,607	4,863,516	5,233,119
1,117,437	953,511	849,983	775,406	1,082,529	1,169,033
1,556,583	1,678,488	1,655,982	1,585,591	1,482,159	2,252,224
1,340,583	1,348,021	1,256,355	1,302,399	1,346,075	1,442,771
1,761,842	1,320,950	2,814,014	2,625,917	1,276,378	1,187,940
415,000	440,000	470,000	495,000	530,000	560,000
734,756	707,813	679,375	649,219	617,188	597,087
13,342,320	13,560,000	14,486,984	14,593,048	13,583,424	14,912,369
2,991,752	2,764,193	(1,544,206)	(60,579)	3,221,163	2,119,430
2,800,000	2,021,935	1,566,409	776,536	2,337,494	3,801,618
(3,400,000)	(2,771,935)	(1,837,311)	(3,176,536)	(3,656,822)	(4,396,618)
1,844	-	-	-	17,000	-
(598,156)	(750,000)	(270,902)	(2,400,000)	(1,302,328)	(595,000)
$ 2,393,596	$ 2,014,193	$ (1,815,108)	$ (2,460,579)	$ 1,918,835	$ 1,524,430
9.41%	8.63%	9.85%	8.59%	8.64%	8.18%

VILLAGE OF LINCOLNSHIRE, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

	2023			2014		
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	$ 19,397,341	1	2.79%	$16,312,630	3	2.89%
Sedgebrook Propco SL VII LLC	16,754,069	2	2.41%			
IHP Tri-State Asset, LLC	14,134,092	3	2.03%			
SR DE I LLC	11,659,665	4	1.68%			
RYAN LLC	6,930,708	5	1.00%			
GALAXY IL WI II LP	6,814,952	6	0.98%			
LA-RFMBG LINCOLNSHIRE, LLC	6,529,619	7	0.94%			
Lincolnshire Propco LLC	6,069,505	8	0.87%			
J R CARLSON LABORATORIES INC	4,332,900	9	0.62%			
325 MARRIOTT DRIVE LLC	4,308,499	10	0.62%			
Van Vlissingen & Company				11,632,932	5	2.06%
Lincolnshire Senior Care LLC				28,748,129	1	5.10%
GA Tri-State Office Park, LLC				26,687,831	2	4.74%
Property Tax Unit-N16WC				12,022,225	4	2.13%
Strategic Hotel Cap, Inc.				8,202,808	6	1.46%
Medline Industries				6,371,479	7	1.13%
Milbrook, Inc.				4,369,821	10	0.78%
Code of Lincolnshire IL LLC				5,828,537	8	1.03%
CFNX Lincolnshire LLC				5,603,976	9	0.99%
TOTAL	$ 96,931,350		13.94%	$ 109,467,738		22.31%

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, ILLINOIS

SALES TAX BY CATEGORY
(in thousands of dollars)

Last Ten Calendar Years

Calendar Year	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
General merchandise	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2	$ 3	$ 23
Food	92	203	194	242	269	213	115	125	188	174
Drinking and eating places	986	1,029	1,013	1,073	1,334	1,332	734	1,008	1,261	1,284
Apparel	143	141	133	143	152	131	50	87	104	84
Furniture	623	715	637	739	944	827	551	472	787	821
Lumber, building hardware	41	42	63	76	52	54	58	36	46	37
Automobile and filling stations	80	76	64	78	184	87	69	106	135	114
Drugs and miscellaneous retail	408	122	222	250	249	450	524	846	710	615
Agriculture and all others	1,865	2,075	1,265	364	412	482	269	426	574	933
Manufacturers	17	10	24	11	24	21	16	26	37	82
TOTAL	$ 4,255	$ 4,413	$ 3,615	$ 2,976	$ 3,620	$ 3,597	$ 2,386	$ 3,134	$ 3,845	$ 4,167
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%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

Data Source

Illinois Department of Revenue

VILLAGE OF LINCOLNSHIRE, ILLINOIS

DIRECT AND OVERLAPPING SALES TAX RATES

Last Ten Fiscal Years

Fiscal Year	Lake County Rate	RTA Lake County Rate	Village Direct Rate	State Rate	Village Home Rule Sales Tax[1]	Food & Beverage Tax[2]
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%
2023	0.50%	0.50%	1.00%	5.00%	1.00%	1.00%

Notes

[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, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities		Business-Type Activities		Total Primary Government	Percentage of Personal Income (1)	Per Capita (2)
	Special Service Area Bonds	Consolidated North Park/ Schelter Road Loan	Utility Line Loan	General Obligation Bonds			
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
2023	9,050,000	-	-	3,315,000	12,365,000	1.74%	1,557

(1) See the schedule of Demographic and Economic Information 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, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	(1) General Obligation Bonds	(1) Special Service Area Bonds	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2014	$ -	$ 13,060,000	$ 13,060,000	0.77%	$ 1,795
2015	-	12,715,000	12,715,000	0.72%	1,748
2016	-	12,350,000	12,350,000	0.66%	1,698
2017	-	11,960,000	11,960,000	0.62%	1,644
2018	-	11,545,000	11,545,000	0.59%	1,587
2019	-	11,105,000	11,105,000	0.55%	1,526
2020	-	10,635,000	10,635,000	0.54%	1,462
2021	-	10,140,000	10,140,000	0.52%	1,277
2022	4,065,000	9,610,000	13,675,000	0.67%	1,722
2023	3,315,000	9,050,000	12,365,000	0.59%	1,557

Data Source

(1) Audited Financial Statements

VILLAGE OF LINCOLNSHIRE, ILLINOIS

DIRECT AND OVERLAPPING BONDED DEBT -
GOVERNMENTAL ACTIVITIES

December 31, 2023

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	$ 77,725,000	2.4%	$ 1,865,400
Elementary School District No. 102	63,220,000	10.3%	6,511,660
Elementary School District No. 103	6,180,000	52.5%	3,244,500
Elementary School District No. 106	-	1.2%	-
Deerfield/ Bannockburn Fire District	-	0.2%	-
Long Grove Fire Protection District	15,640,000	1.9%	297,160
Lincolnshire/Riverwoods Fire Protection District	-	47.4%	-
High School District No. 113	113,885,000	0.1%	113,885
High School District No. 125	43,525,000	17.4%	7,573,350
Vernon Area Public Library	-	24.3%	-
Buffalo Grove Park District	16,496,000	0.1%	16,496
Township of Vernon	-	16.4%	-
Township of West Deerfield	-	0.1%	-
Lake County	143,955,000	2.3%	3,310,965
Lake County Forest Preserve	149,520,000	2.3%	3,438,960
Total overlapping debt	630,146,000		26,372,376
Direct debt			
Village of Lincolnshire	3,315,000	100.00%	3,315,000
TOTAL DIRECT AND OVERLAPPING DEBT	$ 633,461,000		$ 29,687,376

Data Source

Lake County Extension Office

VILLAGE OF LINCOLNSHIRE, ILLINOIS

LEGAL DEBT MARGIN INFORMATION

December 31, 2023

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 non-home rule municipality, its available debt limit would be as follows:

EQUALIZED ASSESSED VALUATION - 2023*	$ 676,002,635
Legal debt limit - 8.625%	$ 58,305,227
Amount of debt applicable to limit:	3,315,000
LEGAL DEBT MARGIN	$ 61,620,227

*Most Recent EAV Available

VILLAGE OF LINCOLNSHIRE, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Unemployment Rate
2014	7,275	$ 450,403	$ 61,911	6.6%
2015	7,275	450,403	61,911	5.9%
2016	7,275	512,356	70,427	6.9%
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%
2023	7,940	712,131	89,689	4.7%

Data Sources

Illinois Department of Employment (IDES)
Unemployment Rate by Bureau of Labor Statistics: Lake County- Kenosha County, IL- WI
City-Data.com as of 2019 for Per Capita Personal Income
www.census.gov Per Capita Person Income 2017 & 2018

VILLAGE OF LINCOLNSHIRE, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

	2023			2014		
Employer	**Employees**	**Rank**	**% of Total Village Population**	**Employees**	**Rank**	**% of Total Village Population**
Adlai E. Stevenson High School	1,368	1	9.1%	1,084	2	4.3%
Hydraforce, Inc.	953	2	6.4%	670	4	2.7%
Zebra Technologies	782	3	5.2%	300	9	1.2%
Sedgebrook	517	4	3.4%	376	7	1.5%
Lincolnshire- Prairie View School D103	491	5	3.3%			
Sysmex	323	6	2.2%	304	8	1.2%
Quill Corporation	250	7	1.7%	496	5	2.0%
Marriott Resort	250	8	1.7%	415	6	1.7%
Aon/Alight	250	9	1.7%	4,300	1	17.2%
Wipfli	90	10	0.6%			
Walgreens				900	3	3.6%
W.W. Grainger				207	10	0.8%
TOTAL	5,274		35.3%	9,052		36.2%
Village day time population (est.)			15,000			25,000

Data Sources

Village of Lincolnshire Community Development Department (2023)
Village of Lincolnshire-2014 Annual Comprehensive Financial Report
Village of Lincolnshire Community and Economic Development prepares the day time population estimate

VILLAGE OF LINCOLNSHIRE, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
GENERAL GOVERNMENT										
Administration	3.25	3.25	2.35	2.10	1.60	2.10	3.10	3.10	3.10	3.10
Finance	3.50	3.50	2.90	2.90	2.90	2.90	2.90	2.65	2.65	2.65
PUBLIC SAFETY										
Police	29.00	29.00	28.00	28.00	28.00	29.00	27.50	27.00	27.00	28.00
COMMUNITY AND ECONOMIC DEVELOPMENT										
Development	5.75	5.75	4.00	4.00	4.50	4.50	4.00	4.00	4.00	4.000
PUBLIC WORKS										
Administration	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.750
Streets	4.50	4.50	4.25	4.75	4.75	4.75	5.50	5.50	5.50	5.000
Water	6.00	6.00	7.45	7.25	7.25	7.25	7.50	7.25	7.25	7.250
Vehicle Maintenance	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.250
PARKS AND OPEN SPACES										
Parks	10.75	10.75	10.63	10.13	10.10	9.800	6.000	6.500	6.000	5.500
TOTAL	66.75	66.75	63.58	63.13	63.10	64.30	60.50	60.00	59.50	59.50

Data Source

Operating Budget-Personnel Summary by Department-FTE

VILLAGE OF LINCOLNSHIRE, ILLINOIS

OPERATING INDICATORS

Last Ten Calendar Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
GENERAL GOVERNMENT										
Village Board meetings	48	49	51	47	47	50	47	75	72	72
Ordinances prepared	41	42	40	32	35	36	49	40	36	25
Resolutions prepared	10	11	8	8	19	17	15	11	11	8
Newsletter/resident mailings	4	5	4	4	4	4	3	4	4	4
E-News messages sent	77	98	70	75	82	86	119	93	96	78
E-News subscribers	1,212	1,793	1,550	1,633	1,490	1,517	1,622	3,206	3,316	3,492
Facebook likes	222	497	655	1,129	1,345	1,808	1,994	2,700	2,987	3,294
Twitter followers	-	400	455	819	924	1,071	1,200	1,281	1,351	1,383
FINANCE										
Accounts payable checks	1,994	1,939	2,000	2,155	1,874	1,823	1,663	1,685	1,670	1,704
Accounts payable direct deposits	11	200	260	331	382	381	386	475	597	573
Payroll checks	237	149	136	99	78	63	44	88	49	32
Payroll direct deposits	1,939	1,976	1,679	1,956	1,946	2,003	2,014	1,860	1,755	1,830
% utility auto withdrawal	22%	23%	29%	35%	37%	39%	41%	43%	44%	45%
Utility payments by credit card	-	-	-	-	1,196	1,794	2,301	2,972	3,802	4,232
Utility payments by text	-	-	-	-	76	163	175	198	224	271
% utility e-bills	0%	0%	0%	4%	8%	10%	12%	18%	23%	26%
POLICE										
Calls for service	14,219	14,023	24,781	26,314	25,276	35,157	32,771	26,624	22,457	26,671
Total reports	1,500	959	839	875	963	1,694	1,347	1,092	1,037	1,061
Arrests (includes traffic)	231	188	304	300	346	503	548	470	463	424
DUI arrests	45	34	26	48	37	33	44	34	42	34
DUI conviction rate	0%	0%	0%	95%	95%	48%	32%	62%	57%	62%
FBI part I crimes	-	-	-	77	79	115	97	73	52	59
FBI part I crimes cleared	0%	0%	0%	11%	12%	2%	13%	5%	8%	12%
COMMUNITY DEVELOPMENT										
Plan reviews										
Building consultant	-	-	94	54	35	9	5	6	116	74
Building Official	-	-	219	326	288	278	280	292	222	231
Code Enforcement	-	-	37	85	84	86	64	71	92	100
Elevators	-	-	14	6	13	3	7	2	4	1
Village Engineer	-	-	318	293	186	258	244	265	278	235

VILLAGE OF LINCOLNSHIRE, ILLINOIS

OPERATING INDICATORS (Continued)

Last Ten Calendar Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
COMMUNITY DEVELOPMENT (Continued)										
Fire reviews	-	-	139	126	129	106	95	78	129	117
Forestry	-	-	320	2	3	-	1	1	5	4
Life safety	-	-	-	-	1	15	11	10	11	11
Planning	-	-	122	73	66	82	66	88	131	124
Public Works	-	-	19	-	13	-	-	-	-	-
Tree removals	-	-	-	267	229	228	285	250	226	252
Total	-	-	1,282	1,232	1,047	1,065	1,058	1,063	1,214	1,149
Zoning Board development reviews	13	10	8	6	3	6	9	9	13.000	4.000
Architectural Review Board reviews	11	10	21	16	10	22	12	19	19.000	20.000
Building permits issued	359	368	926	672	617	635	580	663	441	458
Taxable property transfers	145	161	147	193	150	171	177	243	204	137
No. of Inspections*	885	944	1,480	1,967	1,303	1,885	1,188	1,303	1651	2226
Valuation (thousands)*	45,137	41,173	25,992	68,060	31,051	26,744	24,300	27,783	37,472	43,547
New com/office/warehse bldgs.	1	2	-	4	1	1	1	-	-	-
New housing units	14	6	45	31	14	28	19	17	6	6
Sq. ft. new com. bldgs. (thousands)	-	-	-	-	-	-	5	-	-	-
Sq. ft. new off/warehse. bldgs. (thousands)	-	-	-	-	186,616	-	-	69,149	20,417	-
Plan Reviews-Average Days to Complete										
Permits Issued-Total	-	-	-	-	-	-	-	-	441	485
Residential	-	-	-	-	-	-	-	-	238	287
Commercial/Industrial	-	-	-	-	-	-	-	-	203	198
% Online	0%	0%	0%	0%	0%	0%	0%	0%	5.6%	21.6%
In-House Inspections Completed-Total	-	-	-	-	-	-	-	-	458	631
Residential	-	-	-	-	-	-	-	-	185	298
Commercial/Industrial	-	-	-	-	-	-	-	-	273	355
% Online	0%	0%	0%	0%	0%	0%	0%	0%	1%	0.3%
Code Enforcement										
Cases Closed	-	-	-	-	-	-	-	-	378	446
Average Days to Close Case	-	-	-	-	-	-	-	-	25	24
Vacancy Rates										
Office	0%	0%	0%	0%	0%	0%	0%	0%	26%	26%
Industrial	0%	0%	0%	0%	0%	0%	0%	0%	1%	2%
Retail	0%	0%	0%	0%	0%	0%	0%	0%	34%	54%
Business Site Visits	-	-	-	-	-	-	-	-	2	-

VILLAGE OF LINCOLNSHIRE, ILLINOIS

OPERATING INDICATORS (Continued)

Last Ten Calendar Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
INSURANCE/ COMMON EXPENSE										
Property/liability claims processed	3	3	5	-	1	2	2	2	2	2
Auto liability processed	5	4	-	1	4	4	1	-	1	2
Workers compensation claims processed	11	5	8	8	1	12	2	1	1	1
PUBLIC WORKS - ADMINISTRATION										
Capital project management										
% capital expend. /capital dollars allocated	0%	0%	88%	86%	87%	80%	57%	58%	46%	24%
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	11
PUBLIC WORKS-STREETS										
Project inspections	172	140.0	229.0	184.0	122.0	163.0	197.0	143.0	153	163
Maintain street posts and signs										
Village signs - repaired	-	-	-	-	100.0	100.0	100.0	77.0	100	100
Maintain Village streets										
Street resurfaced (miles)	0.95	0.95	0.62	0.97	0.85	0.98	1.50	1.99	1.62	0.42
Tons of asphalt patching					27.2	11.9	14.3	7.3	9.1	9.1
Pothole repairs by staff	-	-	12	16	82	110	92	73	85	300
Street cleaned (miles)	357	267	360	360	360	360	360	287	287	407
Flood prevention										
Staff hrs spent on flood prevention	-	-	-	-	556	500	491	252	250	300
Hours of pump usage	-	-	-	-	960	1,000	1,152	-	-	8
Times pumps deployed	-	-	-	-	5	6	6	1	1	1
Sewer maintenance	-	-	-	-						
% of catch basin system cleaned	0%	0%	0%	0%	10%	10%	10%	4%	5%	5%
Linear feet of storm sewer lined	-	-	-	-	530	550	-	-	-	-
% storm sewer system inspected	0%	0%	0%	0%	10%	12%	12%	-	10%	10%
Catch basins repaired	-	-	-	-	34	30	19	30	15	35
Right-of-way leaf collection										
Cubic yards of leaves collected	6,942	7,064	6,495	5,100	5,100	5,920	5,760	5,520	5,920	5,280
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	16
Staff hrs spent on snow/ice control	-	1,039	693	559	1,284	1,575	735	1,144	1,017	798
Salt used (tons)	-	-	272.5	-	586.2	872.2	414.3	678	545	438
Customer Service										
Avg days to complete street service request	-	-	-	-	6.8	7.2	7.1	8.8	19.2	9.3

VILLAGE OF LINCOLNSHIRE, ILLINOIS

OPERATING INDICATORS (Continued)

Last Ten Calendar Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
PUBLIC WORKS-PARKS										
Trees planted	138	181	97	110	190	190	190	16	147	129
Playground inspection (hours)	65	84	108	24	80	25	36	72	72	48
Special event (hours)	854	1,184	1,375	593	660	616	21	220	494	521
Review and issue tree removal permits										
Avg days to review permit	-	-	25	25	6	10	10	3	5	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	119
Trees removed- contractual	-	-	268	240	375	344	117	150	140	100
Trees removed- by staff	-	-	22	21	22	25	79	64	75	52
% 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	$ -	$ -	$ -	$ -	$ 266.49	$ 253.84	$ -	$ -	$ -	$ -
Net cost per swimmer	$ -	$ -	$ -	$ -	$ 11.59	$ 11.54	$ -	$ -	$ -	$ -
Customer service										
Avg days to complete forestry/parks svc req	-	-	-	-	10	10	10	10	17.3	10.5
PUBLIC WORKS-BUILDINGS										
Maintain Village Hall building										
HVAC service calls- emergency	-	-	2	3	5	5	3	7	5	7
HVAC service calls- budgeted	-	-	4	4	4	4	4	1	4	4
Maintain Public Works building										
HVAC service calls- emergency	-	-	1	2	2	2	3	2	2	3
HVAC service calls- budgeted	-	-	4	4	4	4	4	4	4	4
PUBLIC WORKS-VEHICLE MAINTENANCE										
Avg daily pumpage metered (millions of gallons)	1.276	1.286	1.341	1.310	1.330	1.197	1.199	1.222	1.300	1.300
JULIE utility locates	2,302	2,991	3,017	3,460	3,400	3,271	2,702	2,781	2,398	2,400
Accounts Serviced	-	-	-	2,546	2,452	2,605	2,566	2,665	2,655	2,675
Utility Permits	-	-	-	91	56	90	172	53	29	35

VILLAGE OF LINCOLNSHIRE, ILLINOIS

OPERATING INDICATORS (Continued)

Last Ten Calendar Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
PUBLIC WORKS-VEHICLE MAINTENANCE (Continued)										
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	885
Maintain fire hydrants										
Fire hydrants repaired or replaced	-	-	12	21	25	25	25	6	5	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	3,000
Maintain water delivery										
Water main breaks	-	-	-	-	11	9	13	12	9	7
Equivalent Dwelling Unit (EDU) Connections	-	5	105	350	330	49	22	31	34.4	17.2
PUBLIC WORKS-VEHICLE MAINTENANCE										
Maintain fleet vehicles										
% of vehicles maintained per	0%	0%	100%	100%	100%	100%	100%	100%	100%	100%
Village preventative maintenance schedule										
Fleet work orders	-	-	216	315	337	214	231	278	244	252
Cost per police squad	$ -	$ -	$ -	$ -	$ 1,093	$ 812	$ 1,235	$ 633.00	$ 633.00	$ 750.00
POLICE PENSION										
Unfunded Liability EAN**	2,568,985	4,837,151	4,797,235	5,248,868	5,335,420	6,843,600	6,749,000	6,323,998	4,552,607	3,949,485
Funded %- EAN**	87.7%	80.1%	80.8%	80.2%	80.7%	76.9%	77.8%	80.2%	86.1%	88.0%
Funded %- PUC**	91.0%	91.0%	90.0%	90.0%	84.9%	81.0%	81.0%	84%	89%	89%
Investment return (actuarial asset) 12/31	6.6%	4.7%	5.4%	6.7%	3.3%	5.6%	9.3%	10.0%	4.1%	6.3%
Investment return (market value) 12/31	2.6%	(1.40%)	(6.90%)	13.8%	(6.50%)	18.3%	14.7%	9.5%	(15.00%)	13.4%
Max % equity investments										

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

VILLAGE OF LINCOLNSHIRE, ILLINOIS

OPERATING INDICATORS (Continued)

Last Ten Calendar Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
POLICE PENSION (Continued)										
Participants actual										
Active members	23	23	23	22	21	24	24	25	25	25
Normal retirees	10	11	11	12	14	15	15	15	16	17
Beneficiaries	1	1	1	1	1	1	1	1	1	1
Disabled retirees	2	3	3	3	3	2	2	2	2	2
Terminated/ separated	3	2	2	2	3	4	3	4	6	5
Total	39	40	40	40	42	46	45	47	50	50
Participants										
Police tier 1 participants	20	19	19	19	15	16	15	15	12	11
Police tier 2 participants	3	4	4	3	6	8	9	10	13	14
Total	23	23	23	22	21	24	24	25	25	25

N/A - Not available

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

Data Source

Village of Lincolnshire 2023 Budget

VILLAGE OF LINCOLNSHIRE, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
POLICE										
Patrol units	15	14	16	15	15	14	15	15	14	15
Stations	1	1	1	1	1	1	1	1	1	1
PUBLIC WORKS										
Streets (miles)	35	35	41	41	41	41	41	41	41	41
Building facilities maintained	6	6	6	6	5	5	5	5	5	5
PARKS AND RECREATION										
Acreage	311.0	311.0	311.0	181.0	182.0	182.0	182.0	182.0	182.0	182.0
Parks	9	9	9	9	11	11	11	11	11	11
Baseball/softball diamonds	6	6	6	7	7	7	7	7	7	7
WATER - SANITARY SEWER										
Fire hydrants	859	859	869	877	877	898	898	802	944	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)	61.0	61.0	64.4	67.0	67.0	67.0	67.0	72.0	74.700	76.000
Sanitary sewers (miles)	45.0	45.0	47.5	47.6	47.6	47.6	47.6	56.0	56.0	62.0
Storm sewers (miles)	101.0	101.0	101.0	101.2	101.2	101.2	101.2	101.2	101.2	101.2

Data Source

Various village departments